# Trafficking in Humans: Big Business in Europe

# Light Penalties and Huge Profits Spell a Boon for Organized Crime

By Marlowe Hood

PARIS — The anti-narcotics officers of the Belgian national police had been waiting for months to arrest a certain Nigerian heroin smuggler. Then last spring, with information gleaned from a phone tap about a shipment arriving by cargo freighter, the opportunity was fi-nally at hand. Arrests and seizure unfolded in textbook fashion.

Except, that is, for one unanticipated

detail: The contraband was not narcotic but human - six West African women whose price of passage was to have been indentured servitude in Belgium's pros-

Migrant trafficking, once a minor part of clandestine migration, has mushroomed into a billion-dollar business that has caught Western Europe off guard. Governments at both ends of the smuggling trail, and at way stations in between, are just beginning to take hastily planned measures.

Although hard figures are difficult to come by, illegal immigration has escalated dramatically over the past two years and organized crime has become much more heavily involved, police officials, immigration experts, academics and government officials said.

Commanding fees of \$250 to \$25,000, professional traffickers have smuggled as many as a half-million illegal immigrants - from as close as Russia and Eastern Europe to as far as China, India and Zaire - into West European countries in the past two years, according to Jonas Widgren, director of the International Center for Migration Policy Development, a government-funded think tank in Vien

Migrant trafficking, in other words, has been a bonanza for organized crime. "It's the same organizations, same money laundering systems, same safe houses, same personnel — just a differ-ent commodity," said Major John Al-leart of the Belgian national police, who two years ago set up what remains one of Western Europe's few law enforcement units dedicated to combating im-

migrant smuggling. cated, far-flung networks with access to high-tech communications equipment and the best legal advice money can

buy," he said. For organized crime, the incentives

By Patrick E. Tyler

New York Times Service
BELITING — As Chinese diplomats talk of peaceful

coexistence with their Southeast Asian neighbors, Chi-

na's military leaders are refurbishing a portion of their

large and antiquated military to enforce claims of

busiest shipping lanes. With energy demands surging

along with the population, oil supplies are falling

が悪いない

"Trafficking is happening not just to get people into a country but to exploit them in underground economies once they are there," said Jean-Pierre Garson, administrator of the international migration and labor market policies division of the Organization for Economic Cooperation and Development.

Not only is migrant smuggling every bit as lucrative as drug smuggling, it is far less risky, police said. Compared to the penalities for trafficking large quan-tities of illegal drugs, those imposed for trafficking human beings are trivial. In the Netherlands, for example,

alien smuggling was not even a crime until January 1994 and is still only punishable by a maximum of one year in prison. Of 55 convictions in the past two years resulting from arrests by Mr. Alleart's unit in Belgium, only three or four are still in jail.

"The phenomenon of trafficking already threatens to undermine the very fundament of national immigration systems," said Mr. Widgren, a former undersecretary of state for immigration in Sweden and one of a handful of specialists in Europe who has studied migrant trafficking closely. "The pressures causing the problem are increasing."

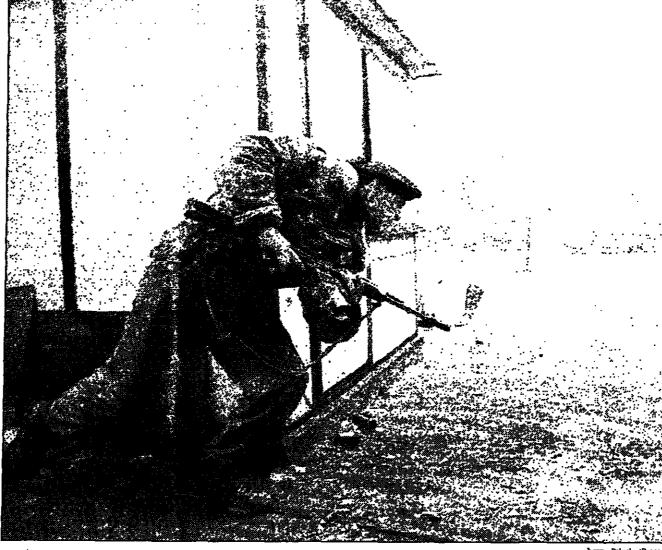
Among those pressures are worsening conditions in countries of origin ranging from war to political persecution to poverty, and the lure of low-wage jobs in wealthy countries.

The dissolution of the Soviet Union and the East Bloc not only added to the flow of migrants, but has also opened up innumerable smuggling routes from East, South and Central Asia.

Such was the case for a hapless group of more than 100 Pakistani migrants stranded by smugglers in the Russian wilderness this summer after paying \$5,000 each for passage to Germany. Several died from exposure.

At about the same time, to cite another among dozens of recent examples. Swiss border police arrested 12 Peruvian women who were en route to underground jobs in Italy after having crossed the Czech Republic, Hungary and Austria. And in August, a Bucharest newspaper reported that "almost every night groups of Asian clandestine migrants — Afghanis, Chinese, Indians, Kurds, Pakistanis, among others — can

be found camping outside the Roma-See MIGRANTS, Page 10



A Chechen fighter sprinting for position on Monday during heavy fighting with Russian forces in central Grozny.

# Rebels Check Russian Drive in Grozny

# No Clear Advantage Seen as Street Battles Leave Many Dead

By James Rupert Washington Post Service

GROZNY, Russia - Chechen guerrillas on Monday forced back the Russian Army's assault in the center of the capital amid heavy casualties and widespread de-

Dozens of destroyed Russian armored vehicles and dead soldiers littered the streets of central and southwestern Grozny, while battles continued to rage in the

northwest and east. forces in Chechnya, estimated at more than 10,000, will be able to capture the rebel capital, but it was clear Monday that

they had failed in their first attempt. As Russian troops retreated, Russian gunners and pilots continued to shell and

bomb Grozny, including residential areas, although less intensively than on Sunday,

when they rained explosives onto the city. Russian planes attacked surrounding rural areas, in one case rocketing an isolated roadside marketplace, killing at least two civilians. Amid the chaos here, it remained difficult to estimate casualties

among either soldiers or civilians. Chechens, fighting in small groups with anti-tank rockets and small arms, broke up at least one major Russian armored colstreets before capturing or destroying

Grozny's railroad station plaza is "a cemetery" of Russian armored vehicles, "some of them jammed so close together that it was hard to walk between them,

said Anatoli Shabad, a Russian legislator who toured the city center.

The three-day assault on Grozny has been "a complete military catastrophe for the Russian Army," Mr. Shabad said. He said he had counted 30 destroyed Russian tanks and armored personnel carriers in central Grozny. "That means a minimum of about 150 Russian soldiers dead. wounded or captured." But he added that "the full figure is more likely somewhere around 400 to 500."

Mr. Shabad said Russia's assault had been crippled because its troops here are disoriented and demoralized.

"They didn't know the roads here, and they didn't understand what their mission

See RUSSIA, Page 2

Beijing Builds Military to Enforce Territorial Claims, Experts Say

# Rabin Stops A Settlement, Saying Peace Comes First

### Israelis Assail Proposal For an Alternative Site; Palestinians Also Object

By Clyde Haberman

JERUSALEM - A bitter dispute over the expansion of a Jewish settlement in the occupied West Bank took a new and uncertain turn Monday when the Israeli government halted construction at a site that had been the focus of Palestinian protests for more than a week.

Hoping to placate the settlers, the government agreed to let them build a planned complex of 500 apartments at a different location, a hilltop somewhat closer to the center of their community. Efrat, and farther from the nearby Arab town of Al

But it was far from clear whether this action would defuse a tense situation that has shaped up as an important test of Israeli-Palestinian relations as the two sides continue negotiations on how to transfer authority to Palestinians and reposition Israeli soldiers in the West Bank.

"We want peace and we want an agreement, we do not want a binational state." Prime Minister Yitzhak Rabin was quoted as saying. The claim of Israeli rightists to huge portions of the West Bank would mean absorbing hundreds of thousands of Palestinians.

"We are talking about a territorial com-promise that will secure Jerusalem." Mr. Rabin said. "Whoever wants Jerusalem to reach to Hebron and Ramallah and Jerucho will only hurt chances of keeping Jerusalem united," he said.

But the immediate effect of the government decision was to please virtually no

Settlers saw it not as a compromise but as a veiled attempt to kill new construction in Efrat, eight kilometers (five miles) southwest of Bethlehem, and by extension in other settlements among the approximately 125 in the West Book

Palestinian leaders denounced any settlement expansion as unacceptable and fall apart. In the last few days, protests at Efrat had begun to have upple effectelsewhere in the West Bank, with Palestinians protesting what they called recent Israeli expropriations of their land near the towns of Ramallah, Nablus and Tulkurm.

Israeli opposition leaders accused Mr. Rabin of buckling under pressure from Yasser Arafat, the leader of the Palestinian self-rule authority, who was among those warning that the fate of negotiations was on the line.

Even within the Rabin government. some ministers did not like the announced

compromise. Those on the left agreed with the Palestinians that construction at Efrat should come to a full stop while more right-lean-ing cabinet members contended that if Israel were to yield on this matter now, planned construction projects in and around Jerusalem - ultimately, the main

See ISRAEL, Page 5

### sovereignty over the South China Sea and its resources, Chinese and Western experts say. At stake are potentially vast oil reserves, minerals and fishing grounds that intersect some of the world's

are enormous.

# Liberians Claim **Breach in Truce**

Kiosk

MONROVIA, Liberia (Reuters) -Two of Liberia's chief warlords accused each other Monday of breaking a four-day-old cease-fire meant to end

their five-year civil war.

Alhaji Kromah, leader of the United Liberation Movement's militia, said his men were under attack in central Liberia by the forces of Charles Taylor. Mr. Kromah warned that his troops would respond if their opponents did not pull back within Taylor's forces have launched an

offensive against our positions in-Bong County." Mr. Kromah said in a radio interview. "We will not stand by and allow his offensives to continue Mr. Taylor, who started the civil war in 1989, denied the charge and said that the United Liberation Movement had attacked his men in the St. Paul river area, but that he remained

committed to peace.

Page 6. Book Review Page 6. Chess Page 13. Crossword Page 14. Weather

Classified Advertising

**Newsstand Prices** Bahrain ...0.800 Din Malta... Cyprus ...... C. £1.00 Nigeria TIO,00 Naira Denmark14.00 D.Kr. Oman .... 1,000 Rials Finland......11 F.M. Qatar ......8.00 Rials Gibraitar....£0.85 Rep. irelandi R £1.90 Great Britain £0.85 Saudi Arabia 9.00 R Kuwait......500 Fils Zimbabwe, Zim.520.00

The same of the sa

of oil for the first time. So Beijing is likely to attempt to secure any major oil discovery in the South China

A group of former American military leaders who visited China last year reported that China was forming a limited military force "capable of rapid response" and designed to protect "island claims in the South China Sea as a matter of national priority."

The group was led by former Defense Secretary Robert S. McNamara and four recently retired senior military officers, including David E. Jeremiah, a for-

mer vice chairman of the Joint Chiefs of Staff, and James P. McCarthy, a former deputy commander of U.S. forces in Europe.

Although comprehensive military modernization remains a distant goal for China, these and other experts say, Beijing has in recent years built up its military in specific areas by:

 Improving its ability to fight a sustained sea battle with its fleet of surface warships, support vessels and

Negotiating with Russia for the purchase of a

total of 72 advanced Su-27 attack aircraft capable of providing close air support for naval operations at extended range.

· Organizing a handful of marine units for amphibious assault and training airborne forces for rapid deployment in Soviet-made transport aircraft. One such force is based on Hainan Island for quick dispatch to the Spratlys and the Paracels, two island chains in the South China Sea. • Developing mobile, conventional-warhead mis-

See CHINA, Page 2

BETTER OFF THE ROAD - Germans sledding Monday beside old tank barriers in the winter's first snow near Simmerath, south of Aachen. There were more than 1,000 traffic accidents in Germany, with three people killed.

# Dictators Flourish in Africa Western Aid No Longer Tied to Reform

By Keith B. Richburg Washington Post Service

NAIROBI - All across Africa, dictators, military men and traditional autocrats are showing their resilience as demo-cratic movements fade, while Western aid donors seem willing to accept economic modernization, without political reform, as sufficient reason to continue the flow of

Democracy has begun to take root and flourish elsewhere around the world — in Eastern Europe, Latin America and Asia. But Africa in many ways seems to defy the trend, despite a few successful democratic

Africa's traditional dictators and tribal chieftains — the "Big Men" — have proven surprisingly tenacious. And with Western and American interest in Africa waning, the Big Men are finding it easier to

pursue their policies of political repression free from foreign pressures to reform.

As a result, the democratic tide that appeared poised to sweep the continent at the start of the 1990s has stalled in some places and been turned back in others. Obdurate dictators cling to power in Zaire. Cameroon and Gabon. Soldiers have consolidated their grip in Sierra Leone and

Africa's most populous country, Nigeria, Moreover, Africa's democrats feel they have been abandoned by their onetime allies in the West, who once insisted on serious moves toward democracy before authorizing aid, but who seem to be ac-cepting merely cosmetic changes implemented by authoritarian rulers.

There have been a few noteworthy successes, particularly in South Africa, where Nelson Mandela hecame president last

See AFRICA, Page 5

# Low-Voltage Rural India Is Plugging Into the Status Symbol Game

BARHANA, India - Hawa Singh was the first resident in his village to buy a washing machine, but his wife, who lugs water from the community hand pump in brass pots atop her head, hasn't used it in more than a year.

His neighbor, Santosh Singh Aehlawat, has a new refrigerator standing in the center of her living room. She uses it mostly as a high-tech cupboard because the

village has no power during the day. Even though washing machines and refrigerators may have little practical use in a farm hamlet with no running water and only a few hours of electricity each night, they have become status symbols in a consumer buying spree that is revolutionizing the aspirations and desires of rural Indians and spawning one of the world's fastest growing consumer marketplaces.

In less than half a decade, a television explosion and India's shift from a socialist to a free-market economy have joined to change the face of rural villages and

reshape spending habits.

"Rural India is in the middle of a boom," said Titoo Ahluwalia of the Bombay-based Marketing and Research Group, a prominent Indian market research firm. "Villagers are beginning to see products that have never touched their lives before, and television is the driver."

Television has brought the lifestyle of the urban middle class, with electric kitchen gadgets, motor scooters and fancy furnishings, to villages where women still walk more than a mile for water and collect cow dung to fuel their cooking fires. Economic reforms have filled country shops with luxury items available to only the urban upper classes just five years

The impact of this consumer wave on rural India their work" and "TV is good for the kids to hear things has been mixed. While modern conveniences have brought some improvement in lifestyles, the growing appetite for material possessions is also stoking greed, sending families deeper into debt, driving marriage dowry costs higher and prompting growing numbers of young people to leave the villages for more lucrative jobs in the city.

"Refrigerators, washing machines, televisions — all this is worthless because we have no electricity." said Dharampal Singh Aehlawat, 40, who lives in this agricultural village in the northern state of Haryana. But everyone wants the neighbors to see what they have. It's just for showing off."

Hawa Singh, 52, who travels two hours each day to an airport job in New Delhi, argued that washing machines are "good for the women and help them in

from outside the village," even though his wife has used the washer barely 20 times in the five years he has owned it and the television is kept packed away in a

"Possession becomes more important than usage." said Narayan Swamy, senior vice president of Indica Research, a New Delhi market research firm. "So what if it doesn't blend with your rural lifestyle?"

Anil Kumar, 26, owns one of the half-dozen television repair shops that have opened in the last five years in Dighal, Barhana's neighboring town.

"Television is like a fashion," Mr. Kumar said, "It's

something everybody wants to have." Even, he added.

if the few hours of electricity the villages receive each See SHOPPERS, Page 2

# **Bosnian Croats Sign UN Truce Accord**

# Only Krajina Serbs Hold Out Among the Warring Parties

Compiled by Our Staff From Dispatches SARAJEVO, Bosnia-Herzegovina - The United Nations won wider backing Monday for the nationwide truce in Bosnia as the Bosnian Croats signed the accord.

The Muslim-led Bosnian government and the Bosnian Serbs, who are the chief antagonists in the 33-month conflict, signed the four-month truce agreement on Saturday.

Only the Serbs from the Krajina region of Croatia, fighting in the northwest Bihac enclave. have yet to sign the pact that was brokered last month by former President Jimmy Carter of the United States.

Mr. Carter worked out the broad lines of the cease-fire, but it fell to the UN commander in Bosnia, Lieutenant General Michael Rose, to nail down the

The agreement was signed in the Croatian stronghold of Mostar in southern Bosnia, after the United Nations repeatedly voiced its concern over reports that Bosnian Croatian troops, initially not a party to the accord, were still fighting the Serbs.

Fighting in Bihac, involving Bosnian and Krajina Serbs alongside rebel Muslims against the Bosnian government army's 5th Corps, threatened to torpedo the truce last

UN sources said the UN's commander in the former Yugoslavia, General Bertrand de Lapresle, raised the issue with the leader of the Krajina Serbs, Borislav Mikelic, during talks at Zagreb airport on Monday. No results were announced as yet.
"We are trying to put an end

to Serb involvement in Bihac fighting, now that the truce has taken effect," a UN source said. The front lines in Bosnia remained largely quiet Monday, but the truce was violated in

here is supposed to be," he told

journalists in a town on the

As of Monday morning, Mr.

Shabad said, the Chechens held

20 Russians prisoner at the presidential palace, where he

had been staying. A police com-

mander in Grozny said the Che-

chens had a total of more than

By early afternoon, Russian

battle for the main industrial

zone in northwestern Grozny,

the police commander said. But

in other areas, journalists found

area around the presidential

palace and the railroad station.

But journalists found Chechens

holding both locations Monday

shouted triumphantly for tele-

morning.

the rebels.

100 Russian prisoners.

Chechen border.

Sarajevo when a missile slammed into the Holiday Inn. There were no casualties.

"It could have been fired by the Bosnian Serbs but we can't confirm it," said a UN spokeswoman, Captain Miriam Su-

Prime Minister Haris Siljadzic of Bosnia said the attack was aimed at keeping pressure on the Sarajevo government "to accept a political solution favorable to the regime in Belgrade."

The United Nations expressed the hope that the ac-cord would lead to an early resumption of peace talks on a negotiated settlement of the Bosnian conflict.

"Cessation of hostilities is not an end in itself," said another UN spokesman, Alexander Ivanko. "What it does is provide conditions on the ground so that a negotiated and fair political settlement could be reached in Bosnia."

The rivals now face a difficult task of negotiating minute details of the agreement, includ-ing opening of roads and disengagement of forces along the 1,600-kilometer-long (1,000mile) confrontation lines. Mr. Ivanko said there was no

time to be lost. The further both parties will be down the road to peace, the harder it will be for them to go back to war," he said.

For the Muslim-led government, an important test of Serbian goodwill would be the reopening of roads to civilian traffic into Sarajevo.

The UN special envoy, Yasushi Akashi, said he expected the warring parties to return to the negotiating table within weeks in talks organized by the fivenation "contact group" on Bosnia: the United States, Russia, Germany, France and Britain.

picture of the battle was impos-

charred Russian tanks and sol-

diers' bodies illustrated the

bloody defeat of a Russian

The Russians' farthest ad-

thrust that had aimed to encir-

cle the main part of the city.

(Reuters, AFP, AP)

city's center, as gunfire crackled soldiers from a light tank cap-

nearby, a television crew found tured by Chechens in a fire-

a young woman sitting dazed fight. At a police station near-on a park bench in her coat and by, Chechen rebels presented

knit cap. A few yards from her three other crewmen from the

feet lay an unexploded tank tank whom they had captured.

Amid the chaos, a complete was part of an armored column



The photograph released by North Korea of Kim Jong II's New Year's Day appearance, his first since October.

# North Korea's Kim Surfaces for Photo

SEOUL - North Korea released a photograph of Kim Jong II on Monday in an apparent attempt to stifle rumors that the new leader was suffering from debilitating ill health and facing a power

struggle.
Mr. Kim has been conspicuously absent from public life since the July 20 funeral of his father, Kim Il Sung. Speculation over his grip on power deepened Sunday when he failed to make North Korea's traditional New Year's Day ad-

A black-and-white photograph, re-leased through the Tokyo-based Korea News Service, showed Mr. Kim bundled up in a winter coat and fur hat and

In a broad, misty plaza at the morning by the bodies of five jumped out of the tank when it

The prisoners said their tank

that had pushed southwest

man named Volodya.

through the city late Sunday. In

RUSSIA: No Clear Advantage Is Seen as Street Battles Leave Many Dead Bonn Assails Russia

smiling as he received a bouquet of flowers from a soldier of the North Korean People's Army.

The caption did not mention where the picture was taken, but the North's official press reported Sunday that Mr. Kim had a picture taken with soldiers during his New Year's Day visit to an army barracks. It was his first public appearance in two months.

Mr. Kim was also reported by the North's press agency, KCNA, to have exchanged New Year's cards with for-eign leaders, including China's senior leader, Deng Xiaoping, and President Fidel Castro of Cuba.

In the photograph, Mr. Kim appeared to have regained some weight. The last

have lost a considerable amount of weight, fanning rumors of kidney and liver ailments.

Mr. Kim, 52, has been groomed to take over from his father, but so far he has rarely appeared in public, and the government has not yet said he has assumed the posts of state president and Communist Party general secretary.

South Korea's national news agency, Yonhap, noted that Mr. Kim chose a missile unit south of Pyongyang as the place to visit on New year's Day.

"By traveling a relatively long dis-tance, Kim may have been trying to show that he has no health problem," Yonhap

# **WORLD BRIEFS**

# U.K. Prison Criticized Over Suicide

LONDON (Reuters) — Britain's chief prison inspector said Monday that officers should have kept a 24-hour watch on the suspected serial killer Frederick West, who was found hanged in his cell.

His death on Sunday renewed a political dispute over security lapses in British prisons, with opposition politicians citing the suicide as an example of mismanagement by the prison services And Judge Stephen Tumin, the chief prison inspector, said Prisoners at risk should be watched by someone else the whole

But prison officers said that Mr. West, 53, had been checked every 15 minutes and contended it was impossible to thwart a suicide if the person was determined. Mr. West was suspected of killing 12 women and girls and burying most of the victims at his home. He was found hanged from the bars of his cell at Winston Green Prison, near Birmingham, by a noose made from his

### Germany Accuses 9 of Nazi Offenses

ERFURT, Germany (Reuters) — Prosecutors in Eastern Germany have charged nine suspected far-rightists for giving the stiff. armed Hitler salute and distributing banned neo-Nazi propagan; da, a spokesman said Monday.

The spokesman for the prosecutor's office in the eastern city of

Weimar said the nine were believed to be members of the far-right Viking Youth, a neo-Nazi group that was banned in November. He said the people charged, aged 17 to 45, had gone camping near Weimar in July and had marched around saying "Heil Hitler" and saluting. Nazi symbols and material are banned in Germany and, if convicted, the defendants could face up to three

### Sri Lanka Revives Talks With Rebels

years in jail or a fine.

COLOMBO (AFP) - The Sri Lankan government on Monday announced the resumption of suspended peace talks with separatist Tamil guerrillas in a bid to work out a cease-fire.

President Chandrika Bandaranaike Kumaranınga's office said that a five-member government team would begin negotiations. Tuesday with the separatist Liberation Tigers of Tamil Eelam.

Talks will be in the rebel-held northern Jaffna Peninsula.

Mrs. Kumaratunga opened a dialogue with the separatists shortly after becoming president in August but suspended talks when the rebels were implicated in the October bombing of the opposition leader, Gamini Dissanayake.

### Opposition Stages Strike in Dhaka

DHAKA, Bangladesh (AFP) — The police clashed with pro-testers Monday as the first in a series of New Year strikes called by the Bangladesh opposition to bring down Prime Minister Khalida Zia gripped the capital.

Opposition parties went ahead with an eight-hour work stoppage in Dhaka despite a new plea by the prime minister on Sunday for an end to the country's nine-month political crisis.

The opposition, however, suspended a decision to enforce the strike nationwide, and business was conducted as usual in the

cities of Chittagong and Rajshahi after initial confusion early Monday, residents and opposition sources said.

### Rival Militiamen Battle in Mogadishu

MOGADISHU, Somalia (Reuters) -- Rival Somali militiamen battled for a key district of Mogadishu for a third straight day on Monday, seeking to win access to the seaport before United Nations troops withdraw.

Six people were reported killed Monday, and five died over the weekend, Somali doctors and witnesses in Mogadishu said. A

weekend, Somali doctors and witnesses in Mogadishu said. A Bangladeshi UN peacekeeper was wounded by a stray bullet.

A shell damaged a roof at the airport on Sunday but did not delay the departure of the first group of 259 Malaysian UN troops, leaving about 9,000 UN personnel in Somalia after the withdrawal of the Indian and Zimbabwean contingents. The UN Security Council ordered all UN forces out of the country by the end of March because of the failure of warlords to agree on peace and a new government.

### For the Record

The death toll rose to six in the New Year's Eve fire that swept through the Switel Hotel's banqueting room in Antwerp, Belgium, officials said. The latest victim was a Belgian woman. Another 38 are still critically injured.

# TRAVEL UPDATE

# El Al Rejects Russian Security Rule

JERUSALEM (Reuters) - Israel's airline El Al canceled its flight to Moscow on Monday after Russian authorities barred its security agents from carrying weapons, an airline spokesman said.

"We decided to cancel the flight following changes in our standard security procedures, which were forced upon us by the Russians," said the spokesman for El Al.

Russian police on Dec. 30 barred the carrier's security agents from carrying weapons at Moscow's Sheremetyevo airport. "El Al will not operate flights to any destination in which our security procedures are compromised," the spokesman said. He said any decision on other flights would be made day-to-day based on the Russian policy. El Al flies three times a week to Moscow and once a week to St. Petersburg.

Ten thousand Israelis have visited Jordan and about 1,000 Jordanians have crossed into the Jewish state since the two countries opened their common border three months ago, an Israeli official said Monday.

Virgin Atlantic Airways is offering for three days a \$99 one-way fare to London on any of Virgin's three daily flights from New York. The airline said passengers may purchase tickets Tuesday through Thursday for flights on Tuesdays and Wednesdays through April 6.

### go. We wanted to get back," he said. "We realized we were go-Chechens holding sites where Russian earlier had advanced vance was marked Monday ing in circles," he said. The crew and been forced back. Veteran Russian Journalist On Saturday and Sunday, officials in Moscow claimed that Russian troops controlled the

Killed in Grozny Fighting

MOSCOW - A veteran At the presidency, guerrillas waved the Chechen flag and Russian war correspondent, Vladimir Zhitarenko, died after a bullet struck him in the head vision crews that reached there. while covering the fighting in Still, the battle in the center the breakaway Russian republic continued, with Russians shellof Chechnya. He was 54.

ing the area and exchanging ri-Mr. Zhitarenko, who worked fle and machine-gun fire with for the military daily Krasnaya Zvezda, was killed Sunday For the third day, Grozny while reporting on fighting in the Chechen capital of Grozny. remained a disorienting nightmare. In muddy, icy streets, explosions erupted from behind a the Defense Ministry said

A journalist for 30 years, Mr.

Zhitarenko volunteered to go to Chechnya for his newspaper, the Itar-Tass news agency re-

He previously had covered the war in Afghanistan as well as numerous armed conflicts in the former Soviet Union.

Mr. Zhitarenko was the second journalist killed while covering the war in Chechnya. At. American free-lance photographer, Cynthia Elbaum, 28. died during a rocket attack on Grozny on Dec. 22.

southwest of the city a trail of the confusion of gunfire and government. lost," said a 19-year-old crew-"We didn't know where to

was hit by rocket fire.

**■** Opposition Grows

Lee Hockstader of The Wash-

There were signs that the

ington Post reported from Mos-

already on the record as strong-

ly opposed to the war in Chech-

nya, is preparing a political at-

tack on the war and the

Duma, or lower house, who had been in Grozny returned to Moscow Monday and denounced the Russian operation there in emotional terms.

Viktor Sheinis, a liberal deputy, called the operation "monstrous both in its planning and

Another liberal Parliament member. Lev Ponomarev, said: "I wonder why this operation drags on. I think I know why: Because Grachev the butcher wants to put off the moment when he finds himself in the dock. And I'm sure he will end up in the dock." He was refer-ring to Defense Minister Pavel S. Grachev.

### Spiked Champagne Kills 10 The Associated Press

DUSHANBE, Tajikistan Ten people, including six Russian servicemen and a Russian diplomat's wife, died after drinking champagne made in had suggested that Moscow ask this former Soviet republic. the Conference on Security and

# For Overuse of Force Cooperation in Europe to help

BONN — Germany on Mon- resolve the conflict. day accused Russia of violating . Mr. Kinkel said he had raised Russian Parliament, which is

In Bonn's most forthright drei V. Kozyrev. criticism of Moscow's military Ministry's deputy spokesman, Martin Erdmann, said Moscow had disregarded a request by European Union ambassadors last week to show restraint in Chechnya.

The ambassadors "said this was an internal Russian conflict, but also stressed that the means used in the confrontation had to be kept in proportion," Mr. Erdmann said. "In our view, they were not kept in

proportion. Asked if this meant Russian troops had violated human rights, he said: "There is no doubt of this."

The high number of civilian casualties, some caused by bombing of residential areas. has triggered concern in the West about the way in which Moscow has gone about putting down the revolt.

In a radio interview. Foreign Minister Klaus Kinkel said he had suggested that Moscow ask

streetcar lines so cities could

human rights in Chechnya by the subject of possible intervenusing an unwarranted amount tion by that organization during of force to try to stop the re- an extensive conversation with gion's drive for independence. his Russian counterpart, An-"I asked Mr. Kozyrev to con-

of its own volition summor CSCE observers to Chechnya.\* Mr. Kinkel said. He did not say how Mr. Kozyrev reacted. France also said Monday that it might try to work out a

settlement through the CSCE. "As president of the European Union we are considering helping solve the crisis within the mechanisms of the CSCE," a Foreign Ministry spokesman told reporters in Paris. "Dialogue should be used to reach a settlement," he said, but did not

rance could take. Mr. Kinkel said he did not consider the Chechnya conflict a matter for the United Nations Security Council to take up.

ive any detail of what initiative

"This is a case, although this is constantly criticized, of a do-mestic Russian conflict," he said. "Naturally, we cannot view without concern the military way in which Russia is addressing the conflict, which is a tragedy for both sides."

# **SHOPPERS:**

Continued from Page 1

night is of such low voltage that it cannot power decent television reception.

But television, more than any other single factor, is driving the consumer boom in rural India. Across the country, the number of households owning television sets has doubled in the last five years to 40 million. More than 40 percent of rural residents have access to a set, according to a recent survey.

"Once you start watching TV, your idea of what is a good living changes," said Mr. Swamy of Indica. "Then your perceived needs go up."

Dighal, where cows, water buffalo and ox carts compete with trucks, tractors and bicycles for road space, Vijay Kumar, 21, dispenses name brand toiletries produced in India by international companies.

# CHINA: Beijing Beefs Up Military

veil of smoke and fog.

siles to terrorize any foe within 1,000 miles (1,600 kilometers).

One specialist on military affairs said of Chinese manpower needs that "by the year 2005, they would like to achieve a core force of 500,000 to 1 million across their services who are fairly modern."

Apart from the recent efforts, however, this goal seems illusive to other experts because China is still technologically unsophisticated in some areas.

Chinese warships, for example, have little or no effective air defense, and their targeting radars cannot reach over the horizon. China has no hope of financing aircraft-carrier development for at least a decade. Its submarines are noisy and vulnerable and are equipped with poorly function-

ing torpedoes. The Chinese Air Force has vet to produce a modern, supersonic aircraft with all-weather

air-to-air combat abilities. And we are aware that our sugney locused on the South Weaponry of all services is far behind the present equipment of the United States," Admiral tells us otherwise. And it is Liu Huaqing, China's senior military officer, told the McNa-

mara group. "We hope to modernize, but the problem is that we have no resources; and if we compete with economic needs, we will be in competition with the economy, and that is not in China's interest."

Still, Chinese and Western specialists say, Beijing's limited buildup is threatening to neigh-bors like Vietnam, which lost two vessels in a clash with Chinese forces in 1988.

"The danger of what we have on the question of China's military is that people are beginning to make the case that China is benign," said James R. Lilley, a former ambassador to Beijing and longtime CIA officer in

Asia.
"China says it has no military objectives, that on the South China Sea it wants to cooperate to find a diplomatic solution while exploiting the resources, that there are no military solutions and that China is focusing on the economy," he said.

Arguing that by all appearto-air combat abilities. And ances, China's military buildup
"We are aware that our is tightly focused on the South

# Leipzig Under Siege — From Shopping Malls derground parking garages, pedestrian zones, and modern

By Craig R. Whitney New York Times Sernce

LEIPZIG — Watching change come to Eastern Germany since the collapse of communism five years ago is like watching newsreels of life from the 1950s to the 1990s in Office buildings and con-struction cranes have sprung

up in every major city. Streets

have been torn up for new

telephone lines, new sewers and new power cables, and then torn up again for new cable television wires. New roads snake steadily out from city centers, drawing suburban housing developments with them and bringing

cars, more cars, and constant traffic jams. Now comes what some think could change the tradi-tional German urban life-style more than anything else yet: American-style suburban shopping malls surrounded by vast parking lots with fastfood outlets and cineplexes. Leipzig has the biggest one in

the country.
"We now have the greatest concentration of these shop-

ping centers in all of Germany." said Niels Gormsen, the supervisor of construction projects in Leipzig. "We see a danger that too many could kill off downtown commercial districts, just like in America." Mr. Gormsen and many other planners here would like

survive the automobile and monster suburban malls. Here, the first thing that happened after capitalism came in 1990 was a rush by West German retailers to open to avoid the commercial strips large commercial developand decay of the city center, as ments on undeveloped land

'What they are building now are bankruptcies in the making." Ulrich Hatzfeld, urban expert

they did in most medium-size West German cities over the last 40 years. He, like many other civil servants in Leipzig, came from Western Germany to replace the Communist functionaries who emulated Soviet urban development.

But since reunification. social change have come so fast that the city authorities have not had the time for planning that was granted to them in Western Germany. There, Germans built unjust outside the crumbling major cities.

In the urban area around Leipzig and Halle alone, where 800,000 people live. shopping centers with a total floor space of 85 hectares (215 acres) have opened and permission has been granted to build another 25 hectares.

"What they are building now are bankruptcies in the making," said Ulrich Hatzfeld, an urban expert in Dort-

He said that nearly half the the new suburban malls were the best buy."

all retail shopping space in Eastern Germany is outside the city centers, while in Western Germany only 25 to 30 percent is, he said. "The main danger we see is not to the centers of historic cities like Leipzig or Dresden,

planned in Germany were in

the East, which has only 20

percent of the population and

even less of the total purchas-ing power. More than half of

but to neighborhoods on the periphery," Mr. Gormsen Already, it can take more than an hour to drive the 15 kilometers (10 miles) from Leipzig to Germany's biggest

shopping mall, Saale Park.

Two smaller malls have sprouted along the way. "Most days, you just sit in a traffic jam to get out here," said Gabriele Smetanin, who had come to Saale Park to shop at the Peek & Cloppenburg department store there. Karsiadi AG, a national chain that is planning to open a new store in Leipzig next

dreamed of in the Communist days," said Bernhard Jaeger, the manager of Saale Park. and we've created hundreds of jobs... Jutta Richter, who lives in

central Leipzig, said of shopping at Saale Park: "I bought a couple of couches, and if I have to put a new kitchen into our next apartment. I'll go there again to get it." But Mrs. Richter said she didn't enjoy the experience,

annual sales from downtown

Dresden, \$255 million from

Leipzig, and \$240 million from Chemnitz.

"We're bringing customers a variety of choice they never

overwhelmed we are by all the changes we have gone through," she said. "Until five years ago, there was only one of everything, always at the same price, and the only ques-tion you asked when you went shopping was what the stores had that particular day. Now it takes me half an hour just to ligure out which detergent is

and prefers to shop in town."

"You can't imagine how

# India on a Spree

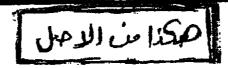
CV 12

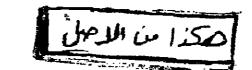
May From Polit

On the dusty main street of

But villagers have more disposable income today than a decade ago. In Barhana and Dighal, there is hardly a family that does not send at least one male member into New Delhi. two hours away, for a job.

Printed by Newsta's baconational, London-Registered as a newspaper at the post office





# Canada's Leader Rides High First Year in Office Nets 75-Percent Approval

By Charles Trucheart Washington Post Service

TORONTO - Jean Chrétien has finished his first full year as prime minister with more of the electorate supporting him than any other Canadian leader in the postwar era: 75 percent, according to a recent poll.

The puzzle to many is that Mr. Chrétien has so little to show for his public standing in the way of policy, legislation or risky decision-making.

The political world hasn't seen numbers

like these since those Romanian and Bulgarian elections in the good old days," said Norman Webster, former editor of the Montreal Gazette and now a columnist.

Michael Bliss, a historian, said: "He's in that happy state of being able to do no wrong. It's the complete reverse of the Bill Clinton syndrome."

The question today is whether that support can shield Mr. Chrétien from the costs of difficult decisions this year. The genial and modest Quebecker took office nearly a year after Mr. Clinton did, restoring the Liberal Party of Lester Pearson and Pierre Elhott Trudeau to power after nine years of Conservative rule that echoed Ronald Reagan's years south of the border.

F .

-

æ

- 2

ER

Since then, the polls suggest that Canadians have bonded to their unassuming prime minister in ways that resemble the affinity most Americans felt a decade ago for the detached father-figure Mr. Reagan.

Mr. Webster, choosing another American model, referred to Mr. Chrétien's "Harry Truman impersonation."

But virtually every analyst offered a more immediate and less flattering explanation for Mr. Chrétien's success:

"It's the sign he wears that says 'I'm not Brian Mulroney," said Mr. Bliss. Mr. Mulroney, the Conservative prime minister until 18 months ago, was widely detested by Canadians, who nevertheless elected him twice in

"Chrétien can relate to ordinary Canadians in a way Mulroney never could," Mr. Bliss

At 60, the prime minister has a profile of probity and has made good government his watchword. One seasoned observer in Ottawa described it as a "near perfect fit between the temper of the times and the temper of the

In contrast to Mr. Mulroney's limousine life-style and an odor of cronyism, Mr. Chrétien is associated with Chevrolets and used government furniture.

As further luck and circumstance would have it for Mr. Chrétien, Canada is enjoying a modest economic recovery, and there is no national political opposition to the govern-

The 1993 elections that brought the Liberals to power also rewarded them with a dramatically fragmented political landscape. The Progressive Conservatives, for generations Canada's other major party, dropped under the weight of Mr. Mulroney's legacy from 154 seats in the House of Commons to 2. The juasi-socialist New Democrats, Canada's traditional third party, were trimmed from 43

As those two parties struggle to stay alive, Mr. Chretien's parliamentary opposition comprises two others that barely existed five years ago. Both command only regional sup-port — the separatist Bloc Québecois, with most of the seats from Quebec, and the conservative Reform Party, whose members hail from the Canadian West.

Free from the pressures of a unified national opposition, Mr. Chretien has offered crowd-pleasing but politically inexpensive decisions on a number of issues and indulged a traditional Liberal habit of gentle America-

His greatest triumph of 1994 was leading a trade mission to China. Instead of using the



THE AMERICAS / GREAT WELL SE

Jean Chrétien: He's not Brian Mulroney.

honeymoon of his first year to forge bold new fiscal austerities, as some had hoped, he has ordered lengthy public consultations and pro-

"This is no government with a burning mission to reform, but rather a low-profile operation trying to disguise the fact that Canada is wildly, desperately broke," Mr. Webster wrote in a recent Gazette column.

Adjusting for Canada's population, about one-tenth that of the United States, Mr. Chrétien is faced with national debt problems every bit as enormous and fiscal solutions every bit as enormous and insect sometimes every bit as punishing as those facing Mr. Clinton. The Liberals have pledged to cut Canada's annual operating deficit to about \$18 billion, or 3 percent of gross domestic product, by 1997; critics say this target is too modest even as they doubt Mr. Chrétien will have the political will to meet it.

Finance Minister Paul Martin will unveil a budget in Ottawa in February that another cabinet member reportedly called the most painful since World War II. It is almost certain to include the sting of tax increases.

On top of that welter of economic prob-lems, there is Quebec's newly energized threat to leave Canada. Mr. Chrétien has been a lifelong politician in the federal capital and an opponent of the secession of the province in which he was born.

Yet on this front considered so crucial to Canada, Mr. Chrétien seldom has wavere from the script that elected him: The less said about Quebec the better.

Even as the separatist Parti Quebecois. which just took control of the provincial government last fall, builds momentum toward a mid-1995 referendum on separation, Mr. Chretien has said little, This angers the Canadian right and many in the pro-unity pundit class in English Canada, who are urging him

to take on the separatists.

Mr. Chrétien's standing in his home province makes him especially wary of making an injudicious remark. In some circles there, he is regarded as a turncoat, a sellout to the rest of Canada. His Canada-wide popularity ratings are all the more impressive in light of his depressed support, about 40 percent, from Quebec's French-speaking majority.

# Are Poor Entitled to a Government Safety Net?

By Robert Pear New York Times Service

WASHINGTON - A great debate is premises of America's social welfare policy: that low-income people have le-gal rights to government aid guarantee-

stamps should be stripped of their status young unmarried women. as open-ended "entitlements." Instead, they say, Congress should appropriate fixed amounts of money each year for those programs, whose size would no

though the money spent on those two care for 33 million low-income people; over spending to comply with a pro- dren, food stamps and Medicaid.

programs dwarfs the spending on welfare and food stamps.

Instead, the battle lines have been about to begin over one of the major drawn over the use of entitlements to guarantee a minimum standard of living for the poor. That struggle transcends the debate over specific Republican pro-posals that would, for example, increase ing a minimum standard of living.

Many of the Republicans who take control of Congress on Wednesday contend that welfare, Medicaid and food by the control of Congress on Wednesday contend that welfare, Medicaid and food by the control of Congress on Wednesday contend that welfare, Medicaid and food by the control of Congress on Wednesday contend that welfare, Medicaid and food by the control of Congress on Wednesday contend that welfare recipients and eliminate aid to the children of the use of orphanages, impose stringent

sessing the whole question of entitlements, is receptive to some changes and longer increase automatically when, for has not decided on a strategy for dealing middle-class constituency that includes example, a recession put more people with Republican proposals to restruc- farmers grocers and the food industry slightly more than half of all federal

Neither Democrats nor Republicans are proposing to make significant changes in the largest entitlement proposing social Security, or to withdraw doubled in four years, reaching \$82 billion on the entitlement status of Medicare all lion in 1994. the entitlement status of Medicare, al- lion in 1994, Medicaid provides health

Medicare finances health care for 36 posed constitutional amendment to re-million people who are elderly or dis-quire a balanced federal budget, he said

Congress will consider giving states

cause food stamps have support from a ey.

Congress would need more control Aid to Families with Dependent Chil-

in an interview.

Democrats say the welfare and food a lump-sum payment, or block grant, to stamp programs serve a valuable ecohelp poor people now entitled to bene- nomic purpose, infusing money into a fits under the main cash welfare pro- state when recession hits, unemploygram. Aid to Families with Dependent ment rises and more families need assis-

• The food stamp program is perhaps
the most secure of the major benefit
ernment has a legal obligation to pay
programs for poor people. House Rebenefits to all applicants who meet eligi-Here is the outlook:

• The Clinton administration is reas
publicans want to put it into a block bility criteria set by law. If the demand for aid exceeds expectations, Congress grams, but they expect resistance be- must somehow come up with more mon-

Entitlement programs account for

# Congressional Democrats Brace for Bitter Reality

By Ruth Marcus Vashington Post Service

WASHINGTON - Congressional Democrats returned to town from the holidays divided and uncertain about the best ways to reverse Republican gains, and bracing themselves for the unpleasant reality of life in the minority.

speak with many voices. And tion of looking like pale, "me-they are particularly divided too" versions of Republicans. they are particularly divided over the wisdom of endorsing a middle-class tax cut, as both President Bill Clinton and the new House minority leader, Representative Richard A. Gephardt, Democrat of Missouri, have done.

Democratic leaders that it was "It's been very, very difficult been thinking to themselves, you'll find more working tonecessary for the party to have to shift in that mind-set because "How the beck are we going to gether and common ground be-Democratic voices heard on the we've been in the majority so subject, to remind voters that long and it's just been so diffimiddle-class tax cuts have been cult," said Representative Robpart of the party's agenda, that ert T. Matsui, Democrat of Cal-Democrats are the true friends ifornia. of middle-class Americans.

Others contended that cut- are "really into control." white Republicans, particuting taxes now would be fiscally
and politically foolish, abanlarly in the House, prospered in part because they maintained a ground the Democrats have ocgenerally united stance in oppo- cupied for the last two years sition. Democrats continue to and putting them in the posi-

Democrats from the House and Senate interviewed during. the past two weeks agreed that while the physical transition from majority to minority after 40 years may be in place by Wednesday, the psychological Some agreed with the two journey would take far longer.

"We always want to be in charge and we have been in charge, and when you lose control you do become very impatient and anxious," he said. "I think we really have to have a personality transplant in some

Representative Anna G. Eshoo, Democrat of California, said that while she thought her Democratic colleagues "know they have to fight," her sense on coming back to Washington after the lame-duck session was ride a presidential veto.
that "a lot of people must have As a result, he said, "

do this?"

In the Senate, where Democrats have a more recent experience of minority status and which operates under rules that House Democrats, he said, are kinder to those out of power, life in the new Democratic minority is likely to be less

> "We're in a different mode." said Senator John B. Breaux, Democrat of Louisiana. "We're not setting the agenda anymore. We respond to their agenda

with our proposals." Still, he said, "We're in the same position as the last Congress in the sense that neither represented on the battlefield of side has 60 votes," the number needed to end a filibuster, or the two-thirds needed to over-

As a result, he said, "I think

tween the Democrats in the Senate working with Republi-

On both sides of the Capitol, Democrats are casting about for the right message to win back voters two years from

"It is remarkable to me how many Democrats, if you pushed them, would agree with the notion that it was much more interesting to listen to Newt Gingrich than it was to listen to ourselves over the last few months," said Representative David E. Skaggs, Democrat of Colorado. "We were not fully

The Democratic message, said Senator Russell D. Fein-

# *LO) II II II (OE I III)* (O) II II S

### A New Lease for Clinton

HILTON HEAD, South Carolina - "Life," the Southern boy's mother warned him. "is like a box of chocolates: You never know what you're gonna get.

With those thoughts, delivered in a wry, drawling homage to the fictional Forrest Gump, another Southern boy, Bill Clinton, welcomed 1995 this weekend, adding in his best self-mocking manner: "Maybe that's why never likea chocolate.

Or so said several of the hundreds of guests who joined the president, who is, in fact, allergic to chocolate, at the annual Renaissance Weekend re-

treat here, and heard his off-the-record reflections at a private New Year's Eve party of singing, handholding, reminiscences and hopes for the future.

His listeners said Mr. Clinton was in fine lettle during his 15-minute after-dinner talk late Saturday night. laughing about all the unsolicited advice he gets. "He said. I've gotten a lot of great advice lately, like: Don't waille, compromise," one guest re-

"Some of us had speculated that he might take this occasion to whine, said an old acquaintance and onetime booster who has been sharply critical of his presidency. "He didn't."

WASHINGTON - Four years after being forced from the mayor's office in disgrace, Marion Barry is back. promising to make the nation's capital "newer and better."

2d Chance for the Mayor

During his absence, Mr. Barry served six months in prison for a drug conviction, got divorced, won a seat on the city council and got married for a fourth time.

"I see myself as a transformer." Mr. Barry, 58, said Sunday during inaugural events a day before his swearing in at the University of the District of Columbia, "A transformer means to make even better and we're going to make Washington newer and

At a luncheon and morning church service, Mr. Barry devoted New Year's Day to reflections on spirituality, faith and redemption-

"Give me a chance to be successful and with your help I'll be successful," said Mr. Barry.

### Quote/Unquote

George E. Pataki. New York's first Republican governor in 20 years, referring in his inaugural address to his plans for sweeping changes: "What those in government have done, those in government can undo," (NYT)

# **Away From Politics**

• Three Americans were killed by bullets apparently fired randomly into the air by New Year's celebrants, the authorities said. The victims were in Phoenix, Arizona, New Orleans and Atlanta.

• An 18-year-old youth trying to help an injured man into his home on New Year's Eve was shot and killed by the man's frightened son, the police said in Purdy, Washington. Three friends found the man injured in his car. They offered to call for help, but the man asked to be taken to his trailer home nearby, Detective Terry Wilson said. Once there, the man realized he did not have his keys and told the men no one was home and to break a window to get inside. The man's 13-year-old son shot and killed one of the men, Christopher Blake West, as he started climbing in through the kitchen window. (AP) through the kitchen window. (AP)

Notes and drawings found in the home of

Edward J. Leary, the accused New York subway firebomber, show that he planned to detonate bombs with motion-sensing devices and remote controls and to gun people down with a high-powered rifle as part of a terror campaign in the subways, a law-enforcement official said. The two gasoline bomb explosions that have been attributed to Mr. Leary were both meant to explode aboard trains while they were in tunnels, said the official.

• Senator Howell Heffin, Democrat of Alabama, was released from the hospital after having his pacemaker adjusted, his spokes-man said. Mr. Heflin, 73, who was admitted to University Hospital in Birmingham on Friday, was to remain in the city for several days to undergo outpatient tests. The pace-maker procedure did not involve surgery. (AP) In Brazil Pledges To Fight Inflation New York Times Service BRASILIA - Fernando Henrique Cardoso, a 63-yearold sociologist, has been inaugurated as Brazil's president,

New President

promising to devote his energy to banishing inflation from Lat-in America's largest nation. The "majority of Brazilians made a clear choice" for low inflation and high growth, Mr. Cardoso said, referring to his

landslide victory in October.

Mr. Cardoso, the architect of Brazil's radically successful anti-inflation plan, also vowed in his inaugural address Sunday to further open Brazil to foreign investment and trade.

With "the opening of the Brazilian economy, we are leaving behind xenophobic attitudes," said Mr. Cardoso, whose government experience includes recent stints as foreign minister and finance minister.

"Today, there is no serious specialist who does not forecast for Brazil anything but a long period of growth," he said.



CELEBRATING A REVOLT - Masked rebels in the Mexican state of Chiapas celebrating the first anniversary of their uprising. Hundreds gathered for the event near Guadalupe Tepeyac, where they heard a taped message from their commander, who predicted economic hardship for Mexicans and urged the governing party's "liquidation."

# Mohammed Siad Barre, Somalia's Ruler for 2 Decades, Dies

Compiled by Our Staff From Dispatches LAGOS - Former President Mohammed Siad Barre of Somalia, who thrived off Cold War rivalries but left his nation in anarchy and on the brink of famine, died Monday in exile in Lagos. He was about 80.

Mr. Siad Barre had lived in Nigeria since 1992, a year after rebels overthrew him in a brutal siege of the Somali capital,

He was diabetic and had been sick for some time, said his son. Dirie Barre, adding that the family was hoping to grant his wish to be buried in Soma-

Mr. Siad Barre rose from his origins as an orphaned shepmixture of terror and guile.

He survived defeat in a long an army college in Italy, the war with Ethiopia, and was colonial power.

The state of the s

courted both by the Soviet Union and the United States. He led Somalia through a succession of droughts, and kept power in a land of anarchic nomads by playing a myriad of squabbling clans against one

But he left behind a country vulnerable to those same forces. War and famine combined in 1992 to kill 350,000 people in the nation of 8 million.

Orphaned at 10, he scratched a living as a shepherd before joining the colonial police force, where he rose to chief inspector, the highest rank possible for a Somali under Italian administration.

Largely self-taught, he studherd boy to rule Somalia for ied voraciously, gaining a sec-more than two decades using a ondary school equivalency and going on to a military course at

When Somalia gained inde-pendence in 1960, Mr. Siad Barre was appointed the new nation's army deputy commander. Five years later, he became commander in chief.

After leading a coup on Oct. 21, 1969, Mr. Siad Barre blended Marxist doctrine, Somali traditions and Islamic precepts into what he called "scientific

The Soviet Union formed a close alliance with Mr. Siad Barre in 1974, but three years later abandoned him for Ethiopia after the two African nations went to war over the Ogaden desert that forms part of

their border. The United States then threw its support to Somalia.

Both superpowers saw Ethiopia and Somalia as crucial to Kenya with 1,200 supporters control of the narrow eastern and members of his huge family

access to the Red Sea, which both countries border. But interest waned in Mr. Mustapha Harun, 76,

Siad Barre's government with diminishing Cold War rivalries and because of his govern-ment's brutal treatment of its The Somali military killed

January 1990, according to the Kinabalu. human-rights group Africa Border clashes, complicated by Somali and Ethiopian government support for armed dissidents on either side, contin-

ued for years. Driven by rebels from his palace in Mogadishu in 1991, Mr. Siad Barre was forced out of his stronghold in the southwest a year later. He fled first to

Malaysian Politician

KUALA LUMPUR (AP) -Mustapha Harun, 76, a one-time office orderly who helped lead Sabah out of the British empire and into Malaysia, died 40,000 to 50,000 unarmed civilians between June 1988 and Monday of a heart attack in the Sabah state capital of Kota

> He became Sabah's governor when the territory, formerly British North Borneo, became part of the Malaysian federation in 1963. He later won the state's highest elective position, chief minister, in 1967. He was the first member of

To subscribe in Switzerland just coll, toll free,

before finding asylum in Nigeria in May 1992. (AP, Remers) the United Sabah National Origanization, which governed Saganization, which governed Sa-bah from 1967 to 1976.

Miriam Camps, 78, who wrote about European unification and other topics and who had been a U.S. State Department official, died Friday of lung cancer in a hospital near. her home in Little Abingdon outside Cambridge, England.

**ORLY-LONDON** from FF.790 RT \* 4 flights daily 1st flight from Orly 7:15 am AirLK

Scheduled Airline See your Travel Agent or call (Paris): 44 56 18 08 Monday

# MONDAY SPORTS

In addition to the daily sports pages, Monday Sports is expanded to include full weekend results of international sporting events. On these pages, you'll find the outcomes of tennis. soccer, football, baseball, cricket, basketball, rugby, golf and many other sports.

Every Monday in the International Herald Tribune.

Herald Cribune

# Rich World, Poor World

The world is getting steadily richer. The World Bank, chief source of the numbers that track this process, has just published its statistical atlas for 1995. Its president, Lewis T. Preston, observes that in the second half of the 20th century the average income per person in the devel-oping countries has doubled.

This rising wealth does more than buy cars and television sets. It means that people live longer, are better educated and have better tools with which to work. The increased foreign competition that the United States is feeling has little to do with the new trade laws. People in dozens of poor countries are now capable of making the goods that used to be a monopoly shared only by producers in North America, Western Europe and Japan.

This new wealth is far from equally distributed. Income per person has hardly changed at all in sub-Saharan Africa from 1960 to the early 1990s. But in East Asia it has more than quadrupled, with most of the increase having come since 1978, when China launched the tremendous reforms that are changing the whole Pacific economy.

Since 1960 the gap has widened between the world's rich and most of the poor. The only large exceptions are in East Asia. The industrial democracies that were at the top of the income ladder

margin than ever over Latin America, Africa the Middle East and South Asia. That may be about to change. In an optimistic forecast last spring, the World Bank said that it expects the developing countries, including the Africans, to grow faster than the major industrial countries over the coming decade.

That has not begun to happen yet, but it is useful to remember that the figures on income alone do not fully reflect the standard of living. There are other useful indicators — the average life span and the infant mortality rate. The World Bank's atlas notes that even in a country as poor as Bangladesh, life expectancy is up to 55 years. That is where it was in the United States in 1920 (it is now 76 years). The infant mortality rate in Kenya is 61 per 1,000 births, and in Guatemala it is 62 lower than it was in America in 1930 (it is now 8 per 1,000 births).

While the world gets richer, more than a billion of the world's 5.6 billion people still live in dire poverty. Millions of children die every year of diseases that the world knows how to cure quickly and easily. Rising wealth means not only a better life but sometimes life itself. That is a point to keep in mind when thinking about foreign aid.

. — THE WASHINGTON POST.

# **Debate Foreign Policy**

In the new year, President Bill Clinton confronts a new foreign policy reality a Republican Congress. Republicans are less united on international issues than on their domestic agenda. But critics of specific administration policies now lead both houses of Congress and chair key committees. They have ample constitutional power to obstruct the president's agenda and advance their own. The Senate has the authority to confirm nominees and ratify treaties, and both houses can vote down or condition appropriations for everything from foreign aid and intelligence to troop deployments.

Sharper foreign policy debate can be healthy. The administration has not performed so brilliantly that it can afford to brush off useful criticism. No great philosophical differences divide Mr. Clinton from mainstream Republicans on many issues, and both parties need to consider how to reshape U.S. policies to a changed world. What are America's interests today? What are appropriate uses of U.S. military force? What is the right relationship between trade expansion and other objectives?

As a candidate, Mr. Clinton promised dramatic reversals on a few high-profile issues like Bosnia, China and Haiti. That rhetoric was soon abandoned. Aside from Haiti, he has generally kept George Bush's policies in place while focusing on domestic reform. A broad consensus is likely to continue over trade, the Middle East and some elements of arms control. Congressional challenges are likely over Bosnia, NATO, Russia, China, peacekeeping and foreign aid.

Republican leaders liken foreign aid to welfare and demand that most aid not related to security or political aims be cut. But the aid budget has already been cut by nearly a third in the last five years, and most foreign aid is related to security or political aims. Of the \$14 billion foreign aid budget. \$5 billion is earmarked for Israel and Egypt and another \$1.2 billion goes to assist countries trying to move from socialism to capitalism. Most of the remainder goes to humanitarian, environmental and population programs that are the best insurance against new Somalias and Rwandas.

Republicans will press for more ag-gressive efforts to lift the arms embargo against the Bosnian government, efforts that the administration should try to harness and in some cases support. Washington should make clear to its European

allies that if they prevent the United Nations from lifting the embargo, the admin-istration may be unable to resist congressional pressure for the United States to lift it independently. The administration' should vigorously resist all calls for direct

U.S. involvement in the war. Many Republicans favor incorporating East European countries in NATO, which would needlessly isolate and provoke Moscow. Eastern Europe needs economic support and early access to the European Union far more urgently than it needs new military guarantees. The administration itself moved too hastily last year toward moving the NATO security umbrella eastward.

Mainstream Republicans favor continued support for reform and arms reduction in Russia, but want to make aid conditional on how Moscow treats the former Soviet republics, Such conditioning must be done carefully. America's security does not lie in isolating and humiliating Russia, but in encouraging its constructive participation in European and Asian affairs.

Republicans will also insist that Washington stand up more forcefully to Chinese bullying on human rights, trade, Taiwan and Tibet. A tougher line could help over time, but short-term progress is unlikely, with China already in the throes of a succession struggle.

International peacekeeping has been a favorite Republican target, even though the administration is now cautious to a fault about committing U.S. troops to such operations. Recent United Nations operations have been troubled, but peacekeeping is a cost-efficient deal for the United States. If the United Nations were so financially hobbled that it could no longer mount operations in support of policies that Washington favors, American forces might have to act alone, at far greater human and financial cost to the United States. This administration still has a chance

to leave a credible foreign policy legacy, but for the next two years it will have to do so in conjunction with mainstream Republicans like Senator Richard Lugar and Representative Benjamin Gilman. There will be unbridgeable differences. There should be substantive debate. But with good will and good luck, the result could be the kind of bipartisan foreign policy that politicians often rhapsodize about but rarely produce.

- THE NEW YORK TIMES.

# The CIA Needs Rethinking and the President's Ear

WASHINGTON — George Bush loved to wallow in raw intelligence reports. Bill Clinton quickly decided to ignore the stuff. Add this telling contrast to the scandal of the spy with three last names and you have a recipe for failure, frustration and now the departure of R. James Woolsey Jr. from his post as director of central intelligence.

Mr. Woolsey may be tempted to blame his downfall entirely on Aldrich Hazen Ames. That for-hire turncoat, who rolled up the agency's Moscow operation in the Reagan-Bush years, was outed through tips from East European sources shortly after Mr. Woolsey took over the CIA for President Clinton.

Mr. Ames was a hot potato that Mr. Woolsey bobbled — no question. But the way in which the bobble was made says a great deal about the problems of a presi-dent and a CIA director blessed with inordinate brainpower but unable to figure out what they wanted the CIA to do and to be beyond the Cold War.

Tough problem that. I suspect many of us would have temporized in the way the Clintonites have — keeping the U.S. intelligence community and defense organizations in a holding pattern. Cold War budgets have been trimmed but not slashed. This administration spends heavily to By Jim Hoagland

avoid being labeled as soft on national security and to keep an insurance policy current in case reform fails in Russia.

The Pentagon can ride out a long policy hiatus. But because of its high profile and bureaucratic vulnerability, the CIA is like a bicycle: To stay upright it has to keep moving, with clear presidential guidance. Even with the increased congressional

oversight of recent years, the CIA is the most "presidential" organization in the federal government located outside the confines of 1600 Pennsylvania Avenue. Harry Truman decided that the agency's director would work directly for the

president. Without a president's interest and direction in its specialized mission, the agency inevitably flounders, adrift in a sea of bureaucratic rivals posing as allies or customers. Without a president's protection, the CIA and its director are easy pickings for those with large grudges or ambitions.

By almost all accounts, Mr. Clinton does not find CIA reporting and analysis as useful as what he gets from "open sources" like newspapers and CNN. He went a year without seeing Mr. Woolsey in a one-on-one session. He quickly

By Larry Collins

dropped the daily agency briefing that Mr. Bush loved.

Mr. Clinton's real view of the CIA under Mr. Woolsey inadvertently crept into a Dec. 29 interview reported by The Associated Press: "In many areas of the world I can tell you we would be better served if we had more intelligence."

That was to defend intelligence spending at secret levels that experts estimate at about \$27 billion this year. The CIA gets 10 percent of that. The rest goes to the Pentagon, the National Security Agency and other components of the "intelligence community" that the CIA chief nominally heads as the president's director of the intelligence. The CIA gets the glory or the blame, but relatively little of the money.

Although an agency outsider —he was lawyer and arms control expert - Mr. Woolsey was an agency admirer and an intelligent Cold Warrior of long standing. His instinct was to co-opt or side with the agency on tough issues.

When Mr. Ames was uncovered, Mr. Woolsey at first resisted the notion that the agency's "culture" could be at fault for Mr. Ames having gone undetected for so long. Rather than lop off heads, he rapped knuckies. He temporized, argued with Congress in prickly fashion and then swung around, too late, to promise to overhaul the agency. By then, Mr. Clinton had undermined Mr. Woolsey's authority to do that by appointing for-mer Defense Secretary Les Aspin to head a bipartisan commission to study the agency and its future.

Mr. Woolsey's fate is a cautionary tale for the administration as a whole. Holding patterns are often wise opening moves, but they cannot be prolonged for important business through a presidential term. Mr. Woolsey's departure underlines the need for hard questions to be asked and answered about what America is getting for defense and intelligence. outlays that still dwarf those of Russia and most other major powers combined.

Mr. Aspin's commission must start by honestly considering the question that Senator Daniel Patrick Moynihan has been asking for some time: Does the United States need the CIA at all? Proba-bly. But it clearly does not need the overlapping, confusing and enormously expensive multiplication of intelligence gathering that still occurs throughout a government that does not, in fact, have centralized intelligence

Soviet collapse and Russian implosion present America with a golden opportumity that must not be wasted.

The Washington Post.

# Get a Pro With Bipartisan Support and Give the Director Time

ONDON - Jim Woolsey was pushed out of his job as di-rector of the CIA by the White coming" had been to put a writ-House in general and National ten endorsement of Mr. Ames

Security Adviser Anthony Lake in particular. was told over lunch in Washington as early as Wednesday, Oct. 19, that Mr. Woolsey would be removed once the dust from

the then forthcoming congres-

sional elections had settled. Mr. Woolsey was, in the first instance, a sacrificial lamb offered up by the White House to the furor in Congress and the media over the revelations of the spying of Aldrich Ames. That is patently unfair, inasmuch as both Mr. Ames's spying and the long investigation that led to his discovery occurred before Mr.

Woolsey took over the agency. Furthermore, as I was told last month by a former senior officer of the agency's old Soviet Division, one of the salient points overlooked by both Congress and the media in the Ames case is the fact that the agency even had 10 senior KGB employees for Mr. Ames to betray. The reality is, he maintained, that by the end of the Cold War the agency's penetra-tion of the KGB — despite Mr. Ames's treason - was so allpervasive that the Soviet service was sometimes jokingly referred to as "Langley East."

Mr. Woolsey's initial reaction to the Ames case was to try to limit the damage to his already severely shaken agency. He chose to hand out official reprimands to II agency officers for shortcom-He was immediately castigated in the press and Congress for his own leadership shortcomings in not bringing the agency Old Boys more firmly to heel.

Apparently stung by that storm of criticism. Mr. Woolsey then overreacted to one of the consequences of his reprimands. Among the officers he had admonished was a senior member of the Operations Directorate,

Milton Beardon, whose "short-

ed the agency's professionals and helped convince the White House that he could no longer effectively control the organization. With the nomination of his

on one of the dozens of pieces of

bureaucratic paper that passed

Mr. Woolsey's action in sin-

gling him out enraged a number

of Mr. Beardon's colleagues. In

an ill-advised kind of schoolboy

prank, they awarded Mr. Bear-

don a plaque for his services to

the agency in Afghanistan, a ges-

ture clearly meant to put a little

mud in the director's eye. Mr.

Woolsey reacted by sacking ev-

eryone involved in that gesture.

outstanding senior officers, at

the apex of their service. Two

had had the primary responsibil-

ity for orchestrating what was

arguably the CIA's greatest tri-

umph in the Cold War, arming

and guiding the mujahidin resis-

tance to victory over the Red

Army in Afghanistan. There is

little doubt that the Soviet

army's humiliating defeat there

led swiftly and inexorably to the

Mr. Woolsey's gesture infuriat-

collapse of the Soviet empire.

They were, without exception,

his desk every week.

successor, the CIA will have had six directors in the 15 years since Jan. 1, 1980, an average tenure per director of two and a half ears. And that figure is skewered by the fact that one director, Bill Casey, ran the agency for approx-

imately six of those 15 years. There was a time back in the days of men like Walter Bedell Smith, Allan Dulles and Richard Helms when CIA directors were put in place by bipartisan agreement and left to run their complex agency as administrations came and went. President Jimmy Carter's appointment of

Stansfield Turner changed that. It was an effort to "politicize" the director's post by making him more directly responsible to the White House's political agenda. Since then, political acceptability to the White House has become the standard by which directors are chosen.

The consequence of that has been, first, a growing mistrust between the agency's professional cadre and the politically appointed director and his immediate staff in their seventh floor office suite. The agency's professionals will, of course, answer a director's questions — provided the questions are precise and

highly specific. But in the last decade they have become less and less ready to volunteer highly secret information unless they absolutely have to. When William Webster had

the agency, his former FBI subordinate John Lawn, administrator of the Drug Enforcement Administration, told me he called the director to ask him a question about Manuel Antonio Noriega's ties to the agency. "Jack," Mr. Webster replied, "I've been asking the same ques-tion myself for the last three months and I can't get a straight answer out of anyone over here."

No director of the CIA, however able, can be expected to master the intricacies of the agency in 18 months. Mr. Woolsey, it was argued in Washington, had not turned the agency around, prepared it adequately for its role in the new, more diverse and complex post-Cold War environment in which it must now live. But how could be have accomplished that in the time allotted to him?

Turning around massive government organizations like the CIA takes more than inspired insight. It takes time.

In 1989, with the fall of the Berlin Wall, the agency decided to join in the war on narcotics traffic, an activity to which it had once been repaired to close its eyes on occasion.

There were glitches in the beginning. In 1990, satellite photo analysts mistook pepper plants Mexico's marijuana crop. Today, however, the agency's antinarcotics center is beginning to perform handsomely both by coordinating worldwide drug intelligence and turning up targets for law enforcement.

From the moment he took over the agency, Mr. Woolsey was well aware of the new array of threats that the CIA and the United States faced: drug trafficking, international organized International Herald Tribune.

zations have given food and medical relief. The financer George

Soros has donated \$1 million.

mostly to help returning refugees.

And the United Nations has

asked for nearly \$30 million to

should continue unconditionally.

But grants for economic develop-

ment should be linked to emer-

gence of a rule of law and respect

foe of foreign aid, soon to be

chairman of the Foreign Rela-

tions Committee, President Bill

Clinton will have an uphill prob-

lem trying to help the Tajiks -if,

in his opinion, they merit it.

Clearly, bromides about building

democracy would be absurd. But,

with the lesson of Bosnia in mind,

he can help assure peace by giving

With Senator Jesse Helms, a

All U.S. humanitarian aid

finance humanitarian needs.

for human rights norms.

crime, massive laundering of illegal money and the societal corruption that such money can engender, the arc of Islamic fundamentalism stretching from the Atlantic beaches of Morocco to 50 million Muslims in northern China increasingly attracted by the message of the muliahs; the extensive counterfeiting of American currency most probably being done in Iran with at least the tacit approval of the government.

But to apply its very real capabilities to those problems will be a time-consuming learning experience for the CIA. The agency grew up in a certain kind of world, in which its task was to focus on states with military establishments, power structures and bureaucracies not altogether dissimilar from America's own. Such structures do not exist in the new areas of concern - in illegal business and criminal enterprises, in the secret world of the Cali cartel and the Malia, or in the mosques of Islam.

It is vital that both the White House and Congress agree that Mr. Woolsey's successor will not be a transitional, political appointee designated to warm the director's chair until the 1996 presidential election. The agency and the nation need someone in that position who will be given the time and bipartisan support that an earlier generation of CIA

directors enjoyed.
It should be understood at the outset that the next director will be in that job through the 1996 for pot in their photos and sud- elections and the first term of out of them, Without that kind of backing and understanding no one is going to be able to determine what the CIA's role in the 21st century should be and prepare the agency to fulfill it.

> The writer is author of "Black Eagles," which deals with the CIA, cocaine traffic and Central America in the mid-1980s. He contributed this comment to the

## Other Comment

### Unfashionably Optimistic

In the 1990s, having survived recession. we [British] retain most of the major economic gains achieved under Margaret Thatcher without the vulgar excesses. The shortcomings of the government are an embarrassment, but American experience shows how readily a nation can prosper without taking any notice of its government. We are at peace. Our food, our cars, our roads, our health, our opportunities for holidays and foreign travel - yes, even our railways - are incomparably better than they were a generation ago. Television and, more importantly, education are significantly worse, but at least the availability of video makes it unnecessary to watch live television at all. We are a privileged and pampered generation, a reality

credit, but which we should not deny to each other. Pessimism may seem fashionable, but it is also fatuous

- The Daily Telegraph (London).

### A Victory With Ramifications

France's successful operation against the Algerian hijackers is one of the biggest victories against terrorism in years. The incident shows that the state can overcome any kind of terrorism provided it is determined and well-prepared. The position France assumed from the day the Air France airliner was hijacked is exemplary. After this episode, however. France has been transformed into an open target for the Armed Islamic Group of Algeria. - Millivet (Istanbul).



International Herald Tribune ENTABLISHED 188 KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER

RICHARD McCLEAN, Publisher & Chief Eurentive JOHN VINOCUR, Euratur Ulber & Vice President WALTER WELLS, Notes Fabror • SAMUEL ABT, KATHERINE KNORK and CHARLES MITCHELMORE Dayun Lilian . CARL GENTRITZ Associate Line . ROBERT J. DONAHUE. Litter of the Educated Profes . DONATHAN GAGE, Business and Finance Edition RENE BONDY, Daynar Publisher & JAMES McLEOD, Advertising Director ■ JUANITA I. CASPARL INKTIMITATIONAL DESCRIPTION DE DIDIER BRUN, CONSTATA EL DESCRIPTION

Directour de la Publication: Redund D. Simmons

Directors Adjust de la Palela assett Kallarene P. Parren

International Herald Tubune, 181 Avenue Charles-de-Gaulle, 92521 Neurily-an-Seine, France. Tel.: (1) 46:37 93.00, Fes.: Circ., 46:37.06.51; Adv., 46:37.52.12. Internet; IHT/9 curolcomic Editor for Assa. Michael Richardson. 5 Contestinos. Rd. Senggiore (151), Tel. (15) 472-758, Facc (15) 274-2334 Edits for Asia, Michael Richardson, S. Contertor, Rd. Senggrov, 1917, Tel. 1651-72, 708, Face 1651-72-228.
May Dr. Asia, Rolf D. Kranepubl. 50 Glouveser Rd. Herre Kone, Tel. 852-9222-1188. Face 852-9222-1190
Gen, Mick Germany, T. Schlater, Endrichter, 15 (4022) FrankfurtM, Tel. 1090-72-65 Face (1991-72-55-10)
Pres U.S. Michael Courro, 80 Third Ave. New York, N.Y. 1002, Tel. (212) 752-3800 Face (212) 758-878
U.K. Advertising Office: 03 Long Acre, London W.C., Tel. (071) 836-4802. Face (071) 240-2254.
S.A. au capital de I 200,000 F. RCS Namerre B 732021126. Commission Partiture No. 61337.
§ 1946, International Hersald Technic. All rights inserved. ISSN 024-8052.



# for which we need give our politicians no

SAN FRANCISCO — Unlike Russia's secessionist crisis in Chechnya, the danger of a collapse of Tajikistan peace talks and renewal of the Tajik civil war by far the bloodiest in any of the former Soviet republics cannot be dismissed as an internal Russian matter. U.S. policy should aim to de-

velop the small Central Asian republic of Tajikistan as an independent member of the world community. It is a mountain country of 5.6 million surrounded by Afghanistan, China. Kyrgyzstan and Uzbekistan. From the time war broke out in May 1992 until a cease-fire took hold this October, Washington has been

surprisingly silent. America has real grounds for concern. In Tajikistan, three years after the Soviet Union crumbled. Russia has succeeded in resurrecting a piece of the old empire. Although Tajikistan. ravseed and nearly broke, is nominally independent, last year it uneasily accepted Russia's bear hug. The problem is that Moscow offers protection Sicilian-style.

Seventy percent of Tajikistan's state budget comes from Russia. 25,000 Russian "peacekeepers" are there to protect what President Boris Yeltsin calls Russia's border with Afghanistan, and the defense minister is a Russian general. The Russians' main mission is to keep fighters, weapons and drugs from

entering from Afghanistan. While the Tajiks have no oil, such neighbors as Kuzakhstan and Uzbekistan do. Chevron and other American companies have invested millions of dollars in developing Central Asia's oil and gas fields. Oil executives would be displeased to see their investments disappear if the conflict

resumed and spread. Tajikistan, its economy wounded and political repression abounding, needs Western sup-

# By Andrew Meier

port for reconstruction. It was always the poorest republic. But even though the war has taken perhaps 50,000 lives and forced more than 650,000 to flee, since early 1992 Tajikistan has received only \$96 million in U.S. aid. Of this. \$61 million has been in food shipments (mostly wheat), \$15 million in private donations and

the rest in technical assistance. J. Brian Atwood, administrator of the Agency for International Development, said last month that his agency "is the state of the art of preventive diplomacy." Yet AID has cut its technical assistance to Tajikistan from \$18 million in fiscal 1994 to \$9 million in the current, 1995 fiscal year.

Tajikistan's autocratic regime partly has its human rights record to blame for unwillingness in the West to provide aid. The record of "ethnic cleansing" is long and vicious, in the opinion of Human Rights Watch and Amnesty International. The war and its aftermath were marked by atrocities on both sides.

When I visited in April, one pro-government fighter told me. No one paid much attention to any Geneva conventions," Whole villages, burned and bulldozed. were reduced to parched fields.

The Tajiks' truce, punctuated by occasional skirmishes, is uneasy. The cease-fire that began in October has been extended to Feb. 6. A fourth round of peace talks between the government of President Imoli Rakhmonov and an alliance of opposition factions is due in Moscow late this month. The talks were arranged by

Secretary-General Butros Butros Ghali of the United Nations and his special envoy Ramiro Piriz-Ballon. By early this year a total of 40 UN ccase-fire observers. authorized by the Security Council last month, will have arrived.

When Tajikistan became independent in 1991, it had nonational identity and no security forces, and the gross national product depended almost wholly on cotton. Since the republic lacked a unifying ethnic identity, no nationalist movement proved strong enough to fill the ideological vacuum left by the demise of Soviet rule.

Chechnya Is Bad but Resumed War in Tajikistan Would Be Worse

In the political violence that broke out, on one side were the people in the provinces of Leninabad (now renamed Khojand) and Kulyab, who ran the government during the Soviet era. On the other side were Garmis and Pamiris, desperately poor peoples who saw an opportunity for a share in the central government after being shouldered aside and maltreated during decades of Communist rule. They found allies with intellectuals and others in the capital. Dushanbe, who wanted more Islam, more democracy and personal power. Clan and regional loyalties played an important role in the fighting.

In 1992, after military interventhe Leninabad-Kulyab alliance

On Nov. 6, the regime, now headed by Mr. Rakhmonov, a diehard Communist, staged a presidential election and won. It was hardly democratic, since all oppo-sition parties were banned. Mr. Rakhmonov ran against his ambassador to Moscow, who charged

Not surprisingly, the Tajiks have few friends in Washington. In October, Representatives Robert Andrews, Democrat of New Jersey, and Benjamin Gilman, Republican of New York, cosponsored a successful resolution linking aid to an improvement in the regime's human rights record.

A handful of American organi-

tion by Russia and Uzbekistan, triumphed, and it has sought to legitimize its rule ever since:

General Sung. That officer has been joined by Generals Chong and Yih with 12,000 troops. fraud after the votes were counted.

appointed to deal with the order

his support to the talks in Moscow. When I was visiting the Tajiks, I saw how important it was for America to try to check renewed

Russian imperialism. One day I was squeezed in an elevator in the Hotel Tajikistan. in the capital, with Russian officers. It stopped on a middle floor and a timid Tajik clutching Red Cross provisions peered in.

"Don't worry," a colonel as-sured him. "There's room here for all of us." The Tajik, who appreciated the dangers of overloading Soviet-made elevators and assenting to Russian assurances, begged off. But the colonel's invitation, reflecting the old Soviet mentality, lingered in the air.

Mr. Meier writes frequently on Russian affairs. He contributed this comment to The New York Times.

### IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1895: 'Not One Inch' SHANGHAI -- [From our spe-

cial correspondent:] I learn on good authority that the Chinese Government does not intend to code one inch of territory, It will offer to buy back Port Arthur. The Japanese have again reconnoitred Wei-Hai-Wei, but have not yet attacked that town. Heavy reinforcements of so-called soldiers have been sent to the Chinese

# 1920: Angry Motorists

LONDON - In Dublin a new form of violence has appeared: the smashing of automobiles. Seven cars have been wrecked as a protest against the new order that motorists must have special permits. A trade-union committee has canceled its own agreement allowing doctors to drive their own cars and has called a strike of men handling motor spirit.

### 1945: Saboteurs Foiled NEW YORK --- An alert seven-

teen-year-old boy was credited by the Federal Bureau of Investigation today [Jan. 2] with spotting two saboteurs who were landed by U-boat on November 29 near the buoys off Hancock Point. Maine. The men came ashore in a rubber boat at night after the Nazi submarine had lain off the Maine coast for a week. J. Edgar Hoover, director of the F.B.I. gave credit to the boy. Harvard Hodgkis, for detecting the Nazi spies. Hodgkis was returning from a dance when he saw two strangers walking along a road. He followed them until they disappeared into the woods. He then told his parents, who notified the F.B.L.

OPINION

# Changing Laws of Gravity Pull 'Foreign Affairs' East

By Thomas L. Friedman

TOKYO - A "Foreign Affairs" cational and news organizations Column now returns to The New York Times. "Foreign Affairs" is actually the paper's oldest column. It was begun in 1937 by the remarkable Anne O'Hare McCormick and was priginally called "In Europe." In those days "In Europe" was foreign affairs for most Americans, and it seemed perfectly natural that the paper's one overseas columnist was rooted on the European Continent. Mrs. McCormick's 1954 obituary in The Times said that she got her start in foreign reporting "as the wife of Mr. McCormick, a Dayton

### History may place the most important development of this half-century in Asia.

engineer whom she accompanied on frequent buying trips to Europe."
Obviously, I was born in a very different era, one in which columnists only have to accompany their curiosity and engineers travel to To-

Ting

11111

kyo for buying trips, not Paris. Both factors have led me to start my column from Japan. While I have no intention of calling my column "In Asia," the thought did cross my mind. Let's face it, when the history of the late 20th century is written, the most important event may not be the reconstruction of Enrope, the Cold War or the collapse of communism, but rather the rapid modernization in one generation of 2 billion people from Japan to the border of India. Never have so many raised their standard of living so far so fast.

I was in Singapore recently when its government decided that to keep attracting top-quality cabinet minis-ters, it would pay them about two-thirds of the average salary of the country's senior doctors, bankers and CEOs. That comes to \$765,000 a year for the prime minister and \$400,000 for the others.

No wonder an American diplomat in Hong Kong told me: "I go to parties here and without fail I am the poorest person at every event. The BMWs and Rolls-Royces roll in one after the other, and then I show up with my little Japanese car. During my first tour here a decade ago, I felt like Gulliver among the Lilliputians. We represented the future. Now I feel like I am brought along to parties as a potted plant for adornment.

Yet, Walter Mondale, the U.S. ambassador to Japan, complains that many American business, edu"still don't get it, still don't grasp how rich and dynamic this region is." He should know,

The historic residence of the American ambassador in Tokyo is being restored by a Japanese construction company because there were no American contractors here skilled enough to do the delicate job. A new study by the Mansfield Cen-ter found that there is still four times as much news about America on Japanese television as news of Japan on American television.

But if we Americans are still smug about Asians, always waiting for their bubble to burst, it is nothing compared with their smugness toward America. They think they can defy the laws of gravity — that eco-nomic consequences won't have po-litical consequences. You cannot have a conversation in Asia without being verbally caned over how flawed America has become and how superior is the "Asian Way." Their smug-ness, though, is as misplaced as ours.

How long can Asian governments keep their people so regimented and focused on export growth when their middle classes are growing so wealthy? Take Singapore. Thanks to its stern government, it is clean, rich and seriously boring. Singapore is a shopping mall with passport con-trols. Any wonder American televangelists and Oprah Winfrey are increasingly popular out there?

How long can Japan's govern-ment keep telling its youth that they have to accept lower wages and live in apartments as big as my garage so that Japanese companies can put all their profits into expanding markets abroad? How long will Japanese consumers pay \$70 for a watermelon because Japan protects its highly inefficient food industry from forzign competition?

How long is China's leadership, the sunggest of all since it forced President Bill Chinton to eat crow on human rights, going to be able to keep the lid on a country that is economically becoming North Carolina and politically still North Korea? And how long will Asians tolerate the fact that the economic boom has left them with five of the seven most polluted cities in the world?

The answer to all of the above is: not much longer, and that's why I chose to start here. Asia is not only going to be the world's biggest business story in the coming years. The economic revolution here is well under way, but the political revolution has just begun.

The New York Times.



### LETTERS TO THE EDITOR

### The Tide Lifts All Ships

Regarding "Selective Protection Can Be Justified" (Opinion, Dec. 26) by Gregory Clark:

With the advent of the World Trade Organization, protectionists like Gregory Clark still miss the point of free trade.

The free trade argument that "everyone gains" is not limited to the West. What Mr. Clark wants to preserve is exactly what free traders seek to address: the distribution of world gross domestic product. In 1989, 83 percent of total world GDP was distributed among 20 percent of the population. The poorest 20 percent had 1.4 percent of GDP to divide among them-selves. The average Swedish family (I am Swedish) has two children, and our consumption is equal to that of a 20-child family globally.

In the long run, free global trade gives the developing countries a fair chance to achieve true development on their own terms. If these countries are more aggressive and dynamic than the more developed countries, so be it. The West does not need a breathing space, it needs a wake-up call. Instead of preserving global inequalities, perhaps we should follow New Zealand's example and simply lower our standard of living. It is painful to do so, but it is also painful for much of the world population to live in extreme pover-

enough for everyone's need, but not for everyone's greed."

By establishing the World Trade
Organization and giving it full sup-

port, the West will not bring equality to the world, but it definitely takes a step in the right direction. FREDRIK SUNESSON.

### **European Jewry**

In Joan Dupont's enthusiastic and generous review (Nov. 29) of my book "A Chosen Few: The Resurrection of European Jewry" there are a few thoughts attributed to me which I should correct for the record.

I do not spend more space on Pierre Mendès-France because, although he was a very important figure in French history, he was somewhat marginal in Jewish history, which was my subject. There are a number of good books on this great French figure. I was not directing any "put-down" at him. The point I made was that although he went to great lengths to declare his assimilation and impartiality, be remained a target of anti-Semites. The French Republican idea, lat-

er expressed by the Jews of the German Enlightenment, that Jews would be better liked if they did not act so differently has been repeat-edly disproved. That is not to say that I am "critical of assimilated Jews." I am an assimilated Jew.

I would estimate that about 90 iy. As Gandhi said, "There is percent of the Jews I write about are

assimilated, which is probably just about the real ratio. Ms. Dupont writes that Jews "have always been a significant part of the French scene," but the point is that this is true of Europe in general, perhaps most notably Germany. So the idea of assimilation assuaging anti-Sem-

ites is obviously a failure. Unlike a few of the people I write about, I do not see this as a valid criticism of assimilation. Jews, like everyone else, have a right to be. It was not, of course, what in-

whatever they want to be.
As for Mr. Mendes-France, I have always admired him not because he, was a Jew who suffered under Vichy but because he so courageously undertook decolonization. Jews do achieve things besides suffering. MARK KURLANSKY.

# A Bully Job on the Bulge

Regarding the report "We Can Still Lose War" (Dec. 19): Congratulations to Rick Atkinson

for his masterful retrospective on the Battle of the Bulge. The participants in that battle (or most any battle, for that matter) were the last to know what had gone on because of the well-known "fog of war." As historian for the 100th Infantry Division Association, may I say that Mr. Atkinson's careful analysis benefits not only the general reader but the veterans who fought there.

FRANKLIN L. GURLEY. Romanens, Switzerland. .\*

# Truth for Chicago Inmates On Their Power to Change

By William Raspberry

W son spent Christmas Day, as the Quakers used to urge, speaking There is a 75 p "truth to power."

It was an unaccustomed truth, spoken to an unsuspected power. It was Mr. Jackson's annual message to inmates at Cook County Jail in Chicago.

The truth: Those inmates of America's prisons — disproportion-

### MEANWHILE

ately young black men -- have the power to change America: its economics, its politics, its attitude.
"In the '60s," the former Chicago-

an now living in Washington told 600 inmates, "our response to oppression - even without civil rights -was the No. 1 cause of civil rights and social justice progress. Because we had the moral authority, we were able to end apartheid both in the

United States and in South Africa. "Today, our civil wrongs consti-tute the No. 1 threat to our progress. The surrender to drugs, dropouts and violence, the abandoned families and alienated children are not only eroding our base, they are also fueling the politics of fear, anger and repression."
The power: "Three strikes and

you're out is driven by you. The \$24 billion crime bill is driven by you. Your behavior, or a fundamental change in your behavior, will deter-mine much of America's future. You have the power."

mates are accustomed to hearing. Generally they are excoriated as social vermin, fit only for being caged or exterminated, or else pitied as victims of social forces over which they have little control. There's truth in both versions.

But there is greater truth - redemptive truth — in what Mr. Jack-son preached. He did what I call the compulsories - the need for improving the schools; for "green-lining" the inner-city areas in which banks refuse to make loans; for doing the things that governments should do for the poor and the weak.

"How many of you have wives and children at home on welfare? Your child doesn't need welfare or an orphanage; your child needs a daddy and a mother at home. You have the power to change welfare. You have the power to change

And then:

violence and crime just by changing your mind. You have the power to change the gun market, the drug market, the family structure of

WASHINGTON — Jesse Jack- America. You have the power to

"There is a 75 percent recidivism rate in Cook County. If you can cut that back to 50 percent, you would change the criminal justice system. Cut it back to 30 percent, and you would just about put the prison system out of business. And you can do it if you change from the victim complex of self-pity and accept a new identity. The key to change is in your mind, in your heart. Malcolm turned a jail cell into a classroom. Racism didn't change for him; the job situation didn't change for him; the police didn't change. Nothing

changed but him." The message is important not because anyone can expect one Christmas Day speech to change very many lives but because young people need to be taught and reminded of the power they have over their own lives.

And so do those in authority. One of the remarkable phenomena of our time is the persistence of the belief among those in power that we can coerce people into decent behavior if only we make the punishment tough enough. The most obvious result of that policy is not a safer society but the diversion of more and more tax dollars to prison cells.

We keep imagining that the problem is that young people are not frightened enough, so we keep toughening criminal sanctions to the point where America's national incarceration rate is the highest in the Western world. The real problem, as Mr. Jackson reminded on what was at least his 26th Christmas visit to Cook County Jail, is that the young people aren't hopeful enough.

They don't see that they need not be limited and defined by discrimination and hard economics any more than were the heroes of the '60s. They don't see that they can, even after a disastrous beginning, make something of themselves. They don't see that they have it within their means to transform not merely their own lives but society. They have the power - and that's

Washington Post Writers Group.

Letters invended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited ma-

### GENERAL NEWS

# **Militants** Posing as Police Kill 11 in Egypt

ASYUT, Egypt — Suspected Muslim militants disguised as police shot and killed eight policemen and wounded at least two others in four separate attacks in Egypt on Monday, security sources said.

Three civilians also were killed, and four others were injured in the attacks, which took place within one hour of each other near the Nile Valley town of Mallawi, 260 kilometers (160 miles) south of Cairo, the sources said. The death toll on Monday

was one of the highest in a sin-gle day since political violence began in Egypt early in 1992. Muslim militants are waging a violent campaign to overthrow Hosni Mubarak and set up a strict Islamic state.

In all of the attacks on Monday, gunmen stopped buses on the main road out of Mallawi to search for police officers on their way to work.

In one attack, gunmen or-dered passengers off a public bus and shot and killed five policemen by the roadside. Two civilians, a newspaper vendor and a security guard, were killed by stray bullets, the security sources said.

În separate attacks, gunmen boarded three minibuses and killed three policemen after examining the identity papers of passengers, the sources said. A teacher on board one of the buses was also killed and four other civilians were wounded. The officers who were slain

: . . . .

included conscripts, guards and members of the secret police. The gunmen took their weapons and escaped. The attacks bring to nine the number of policemen killed by

militants in the first two days of 1995 and to 670 those killed in political violence since 1992. Security officials in Mallawi suspect that the gunmen are members of Egypt's largest mil-

Egypt for two years.



Smoke pouring Monday from Stormont, Northern Ireland's old Parliament. Fire destroyed the debating chamber, which was undergoing renovation. Stormont long was a symbol of Protestant domination and now is the setting for peace talks on ending the province's 25-year guerrilla conflict. Up to 120 fire fighters fought the blaze. "There is nothing to suggest that it is malicious," a fire brigade spokesman said. No one was hurt. Last month, British officials opened talks at Stormont, with separate delegations of representatives from Republican and Protestant extremists. The exploratory talks resume Jan. 12.

# AFRICA: Dictators Flourish as the West Sends Aid Without Demanding Political Reform those who join them are ha-

Continued from Page 1

May following the country's first national election in which the black majority was allowed to participate. Elections in Malawi in May ousted Africa's longest-serving dictator. Has-tings Kamuzu Banda, while balloting last October in Mozambique completed a UNbrokered peace process to end a 16-year civil war.

But ethnic slaughter in Rwanda, renewed anarchy in Somalia and seemingly intractable civil war in Sudan, Liberia and Angola have raised the possibility that Africa's future will bring the descent of other nations into perpetual conflict, with the outside world unable to prevent it.

Even some of those considered bright rising stars in the continent's political firmament have disappointed reform advocates. President Yoweri Museveni of Uganda had emerged as itant organization, the Islamic the darling of the World Bank Group, which has been target- and Western embassies for ushing policemen in southern ering in a prolonged period of

crat. He brooks no talk of pluralism in a Uganda that he essentially runs in autocratic

In Zambia, Frederick Chi-

With Western interest in Africa waning, the policies of political repression free from foreign pressures to reform.

luba was seen three years ago as wrote in Current History magathe harbinger of Africa's new democratic trend when he defeated the longtime president, Kenneth Kaunda, in that country's first multiparty elections. But Mr. Chilaba presides over a government widely considered

corrupt and incompetent. Allegations of drug dealing have surrounded high-level of-

dent has lost his direction. The war against dictatorships has hardly been won," the

Kenyan scholar Michael Chege,

'Big Men' are finding it easier to pursue their

In countries such as Camerclung to power through a combination of brute force, ma- proven adept at creating the fanipulation of gullible opposi- cade of reform without genuine tion parties, bribery, crafty change. Elections are called. exploitation of ethnic loyalties then hijacked. Opposition politpolitical stability following the ficials, and Mr. Chiluba's party and cosmetic constitutional re- ical parties are legalized, but and muzzle the opposition."

dictatorships of Idi Amin and has been plagued by the resignorms to appease Western do-mailton Obote, but Mr. Muse-vern has shown he is no demo-advocates, who say the presi-nance as a precondition for further development aid." announced with great fanfare

For a time, it looked as if Western donors, particularly the United States, would insist now at Harvard University, on political and economic reform as a condition for granting the aid that props up Africa's autocrats. At the start of the decade, terms such as "good governance," "democratiza-tion" and "transparency" set the criteria for determining which African states would qualify for continued international largess.

In late 1991, Kenya's aid was suspended pending economic reforms and a shift to political pluralism. Malawi later suffered a similar aid cutoff that oon, Kenya, Togo, Gabon and forced Mr. Banda, the longtime Sudan, Mr. Chege wrote, "the dictator, to call the multiparty heads of government have election that was his undoing.

But Africa's strongmen have

### proval to a ban on satellite tele-60 million people. vision dishes, a tribleph for hard-line clerics who want to Many young people do not remember the 1979 Islamic revcurb increasingly popular Western shows they view as

Iran, Fighting 'Decay,'

To Ban Satellite Dishes

promoting moral decay. The bill, approved Sunday, prohibits the unauthorized sale. manufacture and distribution of satellite dishes. It now goes for review to the Council of

Compiled by Our Staff From Dispatches

Parliament has given final ap-

NICOSIA — The Iranian

expected within 15 days. It empowers the Ministry of Islamic Guidance and Culture "to safeguard cultural boundaries of the country and of its families against destructive and indecent satellite programs."

Guardians, where approval is

Rooftop dishes have proliferated in Iranian cities, pullingdown channels offering scap operas, pop-music videos and foreign newscasts, not to mention nudity in a country where women must be veiled from head to toe in public.

rassed. Voting districts are ger-

rymandered to favor ruling

cliques. Economic reforms are

but delayed or blocked in im-

plementation. And for the most

part. Western aid keeps flow-

will toward democratic move-

ments in Africa," said Makau

wa Mutua, a Kenyan who heads

the Harvard Law School's hu-

man rights project. "That has fizzled now. The impatience of

the West with what it takes to

create a democratic regime in

countries that have been ruled

by despots for centuries is now

may have been a failure to rec-

ognize that democracy is a pro-

cess and not an event. To re-

of hard work. It's now open

season on democracy move-

The Kenyan added: "There

There are an estimated 250,000 satellite-dish users in popularity.

dancy of mullahs who are campaigning to rejuvenate religious zeal in the Islamic republic of

olution that brought the fundamentalist regime to power. They grew up during economic hard times and an eight-year

war against Iraq. The ban also was a landmark because the home was generally while, though no later than May considered off-limits to the authorities' strict enforcement of centuries-old Islamic codes of

Once it becomes law, owners will have 30 days to dispose of their dishes.

President Hashemi Rafsanani had allowed bland Western films and music on the state television and radio network, arguing that they were needed to spice up programming rich on scholarly instruction and religious recitation.

But Mr. Rafsanjani's failure to turn around an oil-dependent economy has eroded his

# 'Carlos' Charged In 1983 Bombing

PARIS — The international terrorist "Carlos the Jackal" was charged Monday in connection with the 1983 bombing "There was this rush of good- jured 34, judicial sources re-

> Illich Ramirez Sánchez, has Peace Now. been in custody in Paris since being extradited from Sudan last August. He was charged with murder,

attempted murder, damage to The charges are the latest to

be formally served on the Venezuelan-born terrorist. Carlos is already under indictment in connection with a

verse despotism will take a lot ments in Africa once again. Governments feel free to harass the same month, which killed

at a Marseille railroad station that killed two people and in-

property and explosives offenses.

Paris bomb attack in March 1982 that killed one person and injured 63, and with the bombing of a Paris-Toulouse train in

### political battleground - may be the next ones on the line. However events unfold at Efrat, home to about 6,000 Is-

**Expansion Halted** 

Continued from Page 1:

**ISRAEL:** 

raelis, many of them transplanted Americans, the political battle underlined the pivotal role that settlements play at this stage of the troubled peace negotiations.

On paper, discussions about the future of 130,000 Jewish settlers are to be set aside for a 1996, along with other delicate matters like Jerusalem's ultimate status. But the reality has been that settlements are an inescapable issue, even now.

Mr. Arafat and Mr. Rabin are trying to extend Palestinian self-rule throughout the West Bank, taking it beyond the Gaza Strip and the small West Bank enclave of Jericho. That involves Palestinian elections and a companion withdrawal of Israeli forces from Palestinian towns and villages. But with Jewish settlements sitting next door to many of those Arab towns, Mr. Rabin worries about how he can protect them if he may no longer keep his soldiers posted nearby.

Because of this basic security concern, negotiations have bumped along inconclusively, vith a new round scheduled for Tuesday in Cairo.

And as time passes with no real change on the ground, West Bank Palestinians have grown increasingly restive. The Efrat expansion toward Al Khader, an Arab town of 4.000 people five kilometers to the north, became a focus for their frustration and a target of political protest that has been joined Carlos, whose real name is by leftist Israeli groups like

### ■ 3 Police Deaths Reported

Israeli troops shot and killed three Palestinian policemen in a clash in in the Gaza Strip on Monday, a Palestinian police-man told Reuters. In two other incidents on Monday, soldiers also killed three armed Palestinians in the occupied West Bank ...

The policeman said that Israeli soldiers, patrolling near Beit Hanoun in the Gaza Strip, had fired on Palestinian police, apparently mistaking them for militants. Israel radio said the soldiers had opened fire after shots were fired at them

# Reality in Clothing: Ode to Claire McCardell

By Bernadine Morris New York Times Service

EW YORK - Fashion presentations today tend to be produced on a giant scale. Even the introduction of a designer collection for the next season has moved from the intimacy of a manufacturer's showroom to a tent or an amphi-

theater seating thousands.

The cut or the fabric of an outfit is hardly the selling point, since the details cannot be seen beyond the first few rows. The music, the choreography and the lighting supersede the clothes. The mood is that of a Broadway musical.

Those who assemble fashion exhibi-

tions feel similarly compelled to put on the glitz. It is therefore somewhat astonishing to come upon a small, modest, straightforward presentation of clothes by Claire McCardell, the finest U.S. designer, at the Parsons School of Design's exhibition center in the Greenwich Village section of New York City.

The clothes have not been gussied up. They emit an air of reality, as if real people can wear them as they go about their daily lives. What is most astonish-ing is the fact that most of the styles are more than 40 years old. McCardell died

in 1958 at the age of 53.

Called "Claire McCardell: Redefining

Modernism," the show has been assembled by the Parsons faculty as one of the events celebrating the school's 100th anniversary and the 75th anniversary of the New School for Social Research, with which Parsons has been affiliated since 1970. McCardell graduated from Parsons in 1928.

McCardell, a major force in design starting in 1940, helped propel the American concept of easy, simple dressing onto the world fashion stage. She used down-home fabrics like denim and calico and decorated them with top stitching as in blue jeans, bows that actually func. tioned as fastenings and hardware clasps taken from work clothes.

She never used a zipper down the back because, she said, a woman living alone would need to be a contortionist to close it. She always put pockets in her clothes, as much to provide a place to put the hands as to offer a place to store things.

When Issey Miyake, the world's foremost futurist designer, came to New York this December, he went to see the McCardells before the exhibition was mounted; he has long admired her work, he said, and was taken with the softness and fluidity of her designs.

Nicholas Knightly, one of London's newest and youngest swinging designers, says the two designers of the past whom he most admires are Madeleine Vionnet,

the Paris conturier, and McCardell. A vignette of clothes from contemporary American designers is included in the Parsons exhibition, and it shows that the McCardell message is still being heard. The designers shown are Donna Karan. Isaac Mizrahi, Anna Sui, Adri, Michael Kors and Jeffrey Banks, as adventurous a

group as could be assembled.

The curator, Kohle Yohannan, 26, explains the title "Redefining Modernism" by saying that the clothes "speak to popular culture 50 years later.

Well, that is acceptable. But the McCardell secret is simply good design. And her basic tenet, that clothes should be comfortable, is one that designers disregard at their peril.

OR fashion has its forward and backward thrusts, but the overall direction of modern clothes is toward practicality. McCardell's great accomplishment is that she made comfort and wearability look stylish.

Her first big success, the monk dress in 1938, was a loose, free flow of wool jersey that she anchored at the waist with a stiff wide belt or a series of spaghetti-like jersey tubes. Developing into the tent dress, it has become a staple of contemporary fashion, belted or not.

Equally popular was her shirt dress with a pleated bodice and a small tie at

the neck. So was her "popover," a wrapped dress introduced in 1942 to wear around the house or to the grocery store. First shown in denim to sell for \$6.95, it was repeated in more luxurious fabrics at prices up to \$26.

McCardell's work recalls the time when American fashion was good and cheap. American manufacturers were prepared to make inexpensive clothes long before European houses got on the ready-to-wear track.

During World War II, when French sources were unavailable, Americans began developing their own style. Designers like Clare Potter. Tom Brigance, Vera Maxwell and Donald Brooks helped develop the sportswear style. McCardell was clearly the leader of a significant school.

Christian Dior's Edwardian New Look in 1947 and Andre Courreges's space-age styles of 1962 deflected attention from the naturalism of the American look. Still, the American designers best known abroad today, people like Karan, Calvin Klein and Ralph Lauren, are part of the sportswear tradition.

The Parsons exhibition serves a useful function in showing where it all began. Neither the clothes nor the presentation is elaborate. Drawings by Bill Rancitelli, who teaches design illustration at Parsons, serve as backdrops.



# **Interiors for Changing Fashions**

By Fiona Brandon

ARIS — The fashion houses Kenzo, Esprit, Joseph, and Joan & David have one thing in common: the Czech-born architect Eva Jiricna. Over the past 15 years, Jiricna has used her designing talents to revolutionize the interiors of their shops.

"When you are designing for something that changes as quickly as fashion, you can't change the environment as quickly as the collections," Jiricna said. "Among other things, you need something timeless." She combines glass and steel in a poetic

yet disciplined style to create timeless "Materials are like people," said Jiricna. "They have an image and a character. For

me glass and steel are like best friends." Working out of a 19th-century house in the West End of London, Jiricna has become renowned throughout Europe and the United States as a designer of high-

tech shops with sensational staircases. The recently opened Joan & David shop on Bond Street in London is no exception. Customers are easily lured through the glass doors without frames to climb the translucent glass staircase that rests miraculously upon a spiral ball.

There have been many great architectural staircases in history, but in the present century it became more common to shut the staircase away, literally, in a cup- Her decision to stay in England resulted in board, and cover it with a carpet," said Jiricna. "It resulted in the under-exploitation of the most unique three-dimensional object in any interior of more than one

A renovated Joan & David shop on Rue Saint-Honoré in Paris has opened, with Jiricna's glass staircase suspended by stainless steel cables. It is rivaled only by Jiricna's innovative curving steel-and-aluminum double stair built in 1987 for the Legends nightclub in London and the stainless steel-and-glass triple stair finished in 1989 for the designer Joseph's

store at 26 Sloan Street in London. Jiricna began her career designing for a cement factory after graduating from the Technical University of Prague in 1962. At the time she was heavily influenced by

For me glass and steel are like best friends."

Czech functionalism, an architectural school based on the conviction that manmade structures should be useful instruments instead of fine-art monuments.

Jiricna brought this minimalist style to London in 1968, where she had secured a temporary job with the Greater London Council's architecture department. A month after her arrival, Soviet troops marched through Prague and the government of Alexander Dubcek was over-

The political upheaval transformed Jiricna's six-month visit into 22 years in exile. her being sentenced in absentia to three years in prison by a Prague court. Unable to return to her native land Jiricna continued to work in London for various architectural firms. In 1976 she became a British citizen, and this fall was honored by Queen Elizabeth with the medal of Commander of the British Empire for her contribution to interiors.

During the swinging '60s she became acquainted with the Moroccan-born couturier Joseph. After designing Joseph's smart South Molton Street store in London, her career as a high-tech designer took off. An article on the store was published in Design magazine and the the work brought her critical acclaim.

In 1986 Jiricna opened Eva Jiricna Architects, whose projects to date include 16 shops for Joan & David, two for Esprit, three for Birger Christensen stores and a boutique for Kenzo. She has also designed a London apartment for the rock group the Thompson Twins, exhibition stands for Levi Strauss & Co. and hairdressing salons for Vidal Sassoon.

Jiricna is not shy about giving her opinions on modern architecture.

"Never tell anyone how to move forward," she says. "You can criticize some-one's work all you want, but you can't take away their freedom to build in any way possible or you damage free thinking."

When asked about her feelings on Prince Charles's assertion that there ought to be a return to more classical architecture, Jiricna replied, "In my opinion students should be taught history and But the future should be open to the

late for that. In my own lifetime I have seen the futility of trying to do so.

Fiona Brandon is a Paris-based writer.



Among Eva Jiricna's clients are Esprit and Kenzo.

# **Dressing Down** For the Future

By Jeannine Stein Los Angeles Times Service

OS ANGELES -- The future of fashion is not unisex unitards, helmets and silvery boots. It's not clothing designed for intergalactic travel or life in a gleaming Utopian metropolis. In the year 2000, we'll be dressing for the Information

Age, not the Space Age. Past futurists never imagined that the most visible holdover from the '60s outer-space race would be Tang. And they didn't count on Microsoft's Bill Gates or the Internet.

The computer has completely pelled a dressing-down trend that has taken off throughout the United States, "Casual Friday" is now commonplace in even the most conservative workplaces. Levi Strauss & Co., among the biggest benefactors of the boom, posted about \$1 hillion in 1992 sales of its D ers line of casual wear.

Telecommuting is the next big threat to suits and ties, pantyhose and pumps. In 1991, about 5.5 million U.S. employees worked from home, according to Link Resources, a Manhattan-based research firm. In 1995, the number will rise to 11 million, Link predicts, and will continue to grow as the cost of outfitting a home office drops. (The average \$2,000 price tag of a personal computer, for example, is expected to decline as

competition increases and tech-

nology improves.)
"If you're able to fax in 80 percent of your work, then you don't have to dress every day for the office," says Richard Martin, curator of the Costume Institute at New York's Metropolitan Museum of Art. "It's a question of formality vs. infor-

Alison Holt-Brummelkamp, a public relations executive. works at home four days a week to spend more time with her two school-aged children. Not having to dress in skirts and high heels has saved her considerable cash and changed her shopping strategy, she says.

"I'm looking for a lot of comfortable, casual clothing," she changed the way we work, live fortable, casual clothing," she and dress. Think-tankers in suys. "I hardly ever wear stock-california's Silicon Valley proings anymore."

TITNESS the proliferation of such stores as the Gap and its recent offshoot, Old Navy, selling relatively inexpensive basics jeans, khakis, shorts and Tshirts. Only a couple of notches above a robe and slippers, they do just fine for the occasional schlep to the grocery store or coffee shop.

So much for the Flash Gordon vision of ray guns and spaceships perpetuated by the forward-thinkers of the '50s.

"Ultimately what's going to happen is that the smartest look in the year 2000 is going to be a pair of khakis and a white shirt," says Todd Oldham, a New York-based designer. "It's endured for 80 years, so why not another five?

### **BOOKS**

# CHARLOTTE BRONTE:

A Passionate Life By Lyndall Gordon. 418 pages.

\$27.50 W. W. Norton. Reviewed by Michiko Kakutani

HOUGH I knew I looked a L poor creature," Charlotte Bronte once observed, "and in many respects actually was so, nature had given me a voice that could make itself heard, if lifted in excitement or deepened by emotion.

In the century and a half since her death, readers have marveled at the disparity be-

• Armistead Maupin, the writer, is reading: "More, Please" by Barry Humphries.

"I was recently with Barry and Dame Edna in Amsterdam. This book is Barry's autobiography. The man's a genius, it kills me that he can write so well. It's hard to write about yourself and be completely modest. Even if it's the brutal truth you're still striking a pose. (Margaret Kemp, 1HT)

tween Charlotte Brontë's timid. mouselike demeanor and her passionate, caustic prose; be-

tween her restrictive upbringing

HANAE MORI

SALES

FROM DECEMBER 27

17-19, AVENUE MONTAIGNE, PARIS 8 THE

5. PLACE DE L'ALMA, PARIS 8ENL

and her expansive imagination. These contradictions in her life are not only fully chronicled by Lyndall Gordon's splendid er a vivid and emotionally detailed portrait of the novelist

and her work. By now, of course, the outbrutalizing experience of a Dickensian school: the secret writing sessions with her sisters. Emily and Anne; the sudden fame achieved with "Jane Eyre" (1847), and the late marriage to

her father's curate. Although Mrs. Gaskell's While Charlotte gave free famous 1857 biography filtered rein to the passionate side of these basic facts of her friend's life through a strainer of Vic-

To subscribe in Germany just call, tall free 0130 84 85 85

considerably fuller picture. Winifred Gerin's ground-breaking 1967 biography "Charlotte Bronte: The Evolution of Genius") detailed Charlotte's formative (and ultimately abortive) romance with her teacher Constantin Heger. while Rebecca Fraser's 1989 biography ("The Brontes: Charlotte Bronte and Her Family") created a vivid picture of her

close-knit familial world. Gordon does not aspire to add to the factual record; rather, she chooses to use her imaginative sympathies — honed to precision with earlier biographies of Virginia Woolf and T. S. Eliot to delineate her subject's rich innew biography, but also grace-terior life. She re-examines the fully explicated to give the read- autobiographical sources of

Charlotte's novels. Throughout her life, Gordon suggests, Charlotte vacillated between allegiance to the Bible lines of Charlotte Bronte's life and allegiance to nature; beare well known: the provincial tween the sense of duty and childhood in Yorkshire; the self-restraint instilled by her father and aunt, and an anarchic sense of passion embodied by her dissolute brother. Branweil: between the repressiveness of her schooling and the untrammeled freedom of the moors she wandered as a child.

her nature in her novels (and in her letters to the men she torian propriety, later books loved), the face she presented to have given the modern reader a the world was that of a polite. provincial spinster.

Whereas Emily led a willfully hermetic life completely impervious to others. Charlotte increasingly tried to negotiate

Charlotte who got their books ated choice in the early months to a publisher, Charlotte who began making trips to London. Although much of the liter-

ary world there would patronize Charlotte as a lonely, pittful spinster, she quickly found a sympathetic and supportive friend in her urbane young publisher, George Smith. Their relationship would follow the same pattern as Charlotte's earlier one with Heger.

In both cases, a passionate correspondence ensued - a correspondence that eventually devolved, for Charlotte, into forlorn waits for the post. And in both cases. Charlotte would sublimate her disappointment in the failed affair through the practice of her art, Indeed, both Heger and Smith would surface as highly recognizable characters in

her 1853 novel, "Villette." Smith's decision to marry a younger woman in 1854 had another consequence as well: A month after his wedding. Charlotte became engaged to her fa-ther's curate, Arthur Bell Nicholls, who had pursued her in vain for years. After the wedding. Charlotte told a friend. she found she had little free time; she put aside work on her last novel, "Eruma," and never

took it up again. Although the marriage lasted only nine months before Charlotte became ill (apparently with a digestive-tract illness) and died at 38, the union appears to have been a fulfilling one.

Happiness, Gordon adds. was the achievement of Charlotte Bronte's last year: "Through a cautiously deliberof 1854, she transformed her life, choosing life over art."

Michiko Kakutani is on the staff of The New York Times.

### CHESS

By Robert Byrne

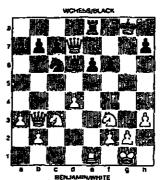
**TOEL BENJAMIN** upheld J the honor of the humans by winning from WChess, a computer, in the Fifth Harvard Cup Intel Championship Playoff.

It is not obvious why computers tend to accept the Queen's Gambit with 2...dc, as WChess played here, in Game 5, and also in Game 1. Benjamin responded with 3 e3. Again we can only guess why. After 3...e5 4 Bc4 ed 5 ed, White has an isolated d4 pawn in a fluid situation,

WChess's 7...Bb4 was inexplicable; if the computer wanted the bishop there, it could have played 6... Bb4, thus conserving a tempo. Benjamin could have tried 11

Ng5, but it is not clear whether ..Rel 12 Qel Qd4 13 Bf7 Kf8 14 Bb3 Qc5 gives him any real chance for advantage. He preferred the straightforward posi-tional 11 Re8 Qe8 12 Bf4.

Benjamin overlooked that he could have played 15 d5! Bf4 16 de Qd6 (16...fe? is crushed by 17 Re6 followed by a devastating discovered check) 17 ef Kf8 19 Qe2, with an extra pawn and positional advantage in the shaky situation of the black



Position after 20 . . . gf

king. Nevertheless. his 15 Bg5 Nb4 16 Qd1 Qd7 17 Be6 fe 18 Qb3 yielded him positional superiority.

On 18...Re8 19 a3 Nc6 20 Bí6! gl, Benjamin struck a powerful blow with 21 d5!, assaulting the fragile black pawn for-mation. WChess could not play 21...Ne5 because 22 Nd4! ed 23 Nd5 Kg7 24 Qb7 Nd3 (24...Bc5? is rebuffed by 25 Qc7!) 25 Re8 Qe8 26 Ne3 puts White a pawn ahead with the stronger pawn structure,

Moreover, 21,...Na5 22 Qa2! b6 23 b4 Nb7 24 de would win a pawn with a strong initiative for

WChess may have chose 21...ed 22 Re8 Qe8 23 Nd5 Nd4 in the hope of eliciting 24 Nd4? Qel mate, but Benjamin took a pawn with 24 Nf6 Kh8 25 Ne8 Nb3 26 Nd6 cd, thus dumping WChess into a lost ending.

After 44 gf, it would have done WChess no good to play 44...Ke7 45 Kd4 Kf6 46 Kd5 Kf5 47 Kc5 Kf4 48 Kb5 Kg3 49 Ka6 Kh3 50 Ka7 h5 51 b5 h4 52 b6 Kg2 53 b7 h3 54 b8/Q. After 60 17, WChess gave up.

QUEEN'S GAMBIT ACCEPTED

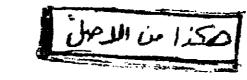
260), wib	W Chest	200) CHA	
T d4	dő	31 b4	Nb6
2 64	dic es ed	32 Nd2	Kes
3 <u>e</u>	<b>e</b> 5	33 Net 34 g4 35 [3	h5
4 Bc4 5 ed	Nis	설정	N45 N14
8 NC3	Be?	36 N22	1414 b5
7 h3	Bb4	37 Ke4	Nd5
8 Nc3	<u>~~</u>	38 Nd1	Ne7
900	0-0 Not	39 /4	Ne7 d5 Kd6
10 Ret	Reg	48 Kd4	Kd6
11 Re& 12 St4	Qe8	41 Ne3	Not
12 814	Qe7	42 Kd3	Ne-7
13 Q43	Bd6	43 NI5	NIS NS
14 Rei 15 Bg3	Be6 Nb4	44 없	RO
ie Qdî	Q47	45 Kd4 46 (6	hi
17 B-6	fe .	47 17	Keli Ki7
ia Q63, 19 a3 20 B/6 21 d3	Res	48 Kd5	Kie
19 a3	Not	49 Ke4	Keñ
20 BI6	gf ed	49 Kz4 50 (5	107
21 65	ed	51 R/4	ICT7 ICTS
22 ReB 23 NdS	Qe8 Nd4	52 Kg4	26
24 Nf6	Kh8	53 KT4	K47
25 Ne8	Nb1	54 Kg5 56 Kh4	Kg? KB
25 Note	cd	56 Kg4	Ke7
27 Kf1	Ke7	67 Kg5	K17
28 Ke2	Kg7 Kf6	58 66	K17 Ke8
29 Kd3	NCS	59 Kg8	KØ5
39 Kd4	Na4	<b>89</b> (7	Secrition.

# - THE NEWSPAPER OF RECORD FOR THE INTERNATIONAL MUTUAL FUND INDUSTRY

Listings - Daily ★ Money Report - Weekly ★ Fund Performance Focus - Monthly

**REACHING PERSONAL INVESTORS IN OVER 180 COUNTRIES** 

Herald Eribune=



ABC INVESTMENT & SERVICES CO (E.C.) Monating-Bohnesis, PO 2894,F4 S2002 T) S1225 mABC Features Fund III S 129.1 mABC felton Fund (E.C.) S 129.4 mABC felton Recovery Fd. S 104.7 mABC Globol Bact Fd. S 104.7 ABM AMRO BANK, P.O. Box 20, Avestandom of Cebod Eq. USD A (D)  A Colombia Securities F 104.7  G Colombia Securities F 105.7  G Colombia	5F 75.83 5F 75.83 5F 192.75 15 SICAV 10 SICAV 10 SICAV	· · · · · · · · · · · · · · · · · · ·	ADVERTIS  INTERNATIO  solutions supplied by lends listed, and transmit the quotations are supplied by the Funds lister	EMENT  NAL FUNDS  that by MCROPAL PARTS (Tol. 33-1 40 28 09 09;  with the exception of some quotes (usual on in blacepity; (f) formightly (every two weeks); (i)	Jan. 2, 1995	d SBC GBJ-PM Ecu Yld B Ecu   1318.40 d SBC GBJ-PM USO Yld A 1817.14 d SBC GBJ-PM USO Yld B 51 182.21 d SBC GBJ-PM SF Inc A 5F 1002.19 d SBC GBJ-PM SF Inc A Ecu   1866.19 d SBC GBJ-PM Ecu Inc A Ecu   1866.19 d SBC GBJ-PM USD Inc A 592.88	m âtecmar Glabal Fd Caymans 275.22  w Brac International
w Trans Europe Fund FL Fi w Trans Europe Fund FL Fi w Trans Europe Fund S S 1997 W Airento ABN ANKO PundS FI ANN ANKO PU	100013   15273   15499   150013   150013   150019   150013   150019   150013   150	CURTENCY BOND FF CURTENCY BOND DM VSSTABINT FFM SITO + DM SISS RENTENDO + DM AL24 NEER INTL MGMT SERVICES the House - IFSC - Duble In Orniton Lot Am Set Fd Watcher French	obstions supplied: [d] - daily; [w] - weakly; [b] - d GY North Americo Fd 8 Sh. 3 d GT Strategic Bd Fd A Sh. 3 d GT Strategic Bd Fd B Sh. 3 d GT Strategic Bd Fd B Sh. 3 d GT Telecomm. Fd A Shores; 14.31 d GT Telecomm. Fd A Shores; 14.47 r GT Technology Fund A Sh. 3 4.72 r GT Technology Fund B Sh. 3 4.72 r GT Technology Fund B Sh. 3 4.72 gT MANASSEMENT PLC (44 ft The 45 GT) d GT, BillerCyl/Health Fund . 3 GT, BillerCyl/Health Fund . 3 20.34	bi-associate; (f) fortnightiy (overy two weeks); (f) MCK(NLEY CAPITAL PARTNERS, LTD or the Garself Fund Lid	7 - regularity (t) - twice weekly; (m) - monthly.  w P.T.F. Eur. Opport (Lux)Ecu	d SBC GBi-PHI USD Inc B S d SBC GID PHI-DM COMMIN_DM d SBC GID PHI-DM PID B d SBC GID PHI-DM PID B d SBC GID-PHI DM BDI A/B_DM d SBC GID-PHI ECO BDI A/B_ECO d SBC GID-PHI SFR BOT A/B_ECO d SBC GID-PHI USS BDI A/B_S d SDI A/B_	m Carvin Growth Fund 3 1014.98 m Children Intt (BVI) L.id 3 1014.98 w China Vialon 5 2.07 w Citied Limited 5F 14.17 d CAN USA 3 223.09 m CAM USA 3 100.71 m CAM Strotegic Bet Pg L1d 5 100.71 m Call children 5 100.71 m Call children 5 115.339
d Europe Bond Fd. 3 47.44 d Jopon JP y 6 (Cop.) d US Bond Fund 5 47.24 d Parace FRF B (Cop.) d Germany Bond Fd B DAN 50.09 d Nth America USD A d Spoin Bond Fund Pics 748.00 d Loth America USD A AZE WOOLLDFOLK ON BUTUAL PUNDS d S Dally Income 5 1.88 d Min America USD E d DAN Dally Income 5 1.88 d Min America USD E d Bond Income 5 7.44 d Min d Min S (Cop.)	Y   1075.6773   DUBIN 4   Tel: (80   Tel:	4 SWIECA ASSET MANAGEMENT 17) 945 VOD FOR: 1807) 945 IAB Oridae Cepitol Corp	G G.T. Deutschlund Fund	w EARS Olishers Fo N.V. FI 10.55 w Loron Diversalish Fund N.V., FI 59.35 w Josen Diversalish Fund S 45.33 w Loversgoed Con Hold S 59.48 MERRILL LYNCH d Dollor Assets Particulo S 1.80 d Prime Rate Particulo S 9.99 acceptul. LYNCH 54-ORT-TERM WORLD INCOME PORTFOLIO 6 Closs A 3.33	m Premier US Equity Fund 5 1111.36 m Premier Infl Eq Fund 5 129.22 m Premier Sovereign 8d Fq _ 5 72.62 m Premier Global 8d Fq _ 5 71.89 m Premier Total Return Fd _ 5 79.139 PRIVATE ASSET MST GAM FUND INC Guernsev: Tel: (80M 481) 723.62 FOUNDAM ASSEM MST GAM FUND STAND W Privote ASSEM MST GAM FG 5 99.23 PUTMAMA of Emerging Mth Sc. Trust _ 5 30.44	d SHC Natl, Resource USS 3 d SHC Day Floor CHF 99 5F 1000.00 d SHC Day Floor CHF 99 5F 1000.00 d America Valor USD 95 5 95.00 d America Valor 5 95.00 d Angle Valor 5 95.00 d Asign Professor 5 95.40 d Convert Bond Selection 5 95.40 d D-Marit Bond Selection 5 95.40 d Doubter bond Selection 5 96.40 d Ecu Bond Selection 5 97.33 d Ecu Bond Selection 5 97.33 d Ecu Bond Selection 5 97.33	## Cansilvest Obil Belon CTBF
d Global Batarross 5 19,34 C% Born of Bernada L C%	MITED Jd: (809) 295-4000 Jd: (80	Term - 5 31.5075 Term - DMK - DM 164.5036 AGE LUX (353-6073 36) 164.5036 AGE CHART AGE	BUINNESS FLIGHT FD ANGRS (Green) LM GUINNESS FLIGHT GLBL STRATEGY FD d Montagued Corrency \$ 38.30 d Global High Income Bond \$ 33.55 d Global High Income Bond \$ 32.51 d Global High Income Bond \$ 28.91 d Glift & Bond \$ 10.31 d Euro High Inc. Bond \$ 72.16 d Gliobal Equity \$ 72.16 d American Blue Chip \$ 72.92 d Japan and Pacific \$ 37.72 d Japan and Pacific \$ 34.02	d Class B	w Putharm Em. Infa. Sc. Trust 3  d Putharm Gebt. High Growth, 5  d Putharm High Inc. GNMAA Fd5  d Putharm High Inc. GNMAA Fd5  d Putharm High Inc. GNMAA Fd5  d Putharm Life Fd6  w Asten Development 1  w Simersing Growth Fd N.V. 5  w Simersing Growth Fd N.V. 5  w Quontum Fund N.V. 1  w Quontum Fund N.V. 1  w Quontum Reality Trust 1  w Quontum Neality Trust 1  w Quontum UK Reality Fund 1  10,91	d France-Volor FF 187401 d Germanis/Volor DAN 507.13 d Goldffortfolio S 323.44 d Iberiot/Volor Pio 2271.86 d Individuo Pio 2271.86 d Isonophyritolio Y 2227.87 d See Propriotio Y 2227.87 d See Foreign Bond Selection F 114.52 d See Foreign Bond Selection F 114.52 d See Foreign Bond Selection F 70.79 d University Bond Selection F 70.79 d University Bond Selection F 70.79	# D.G.C. 5 299,19 # D.G.C. 6 2
w AIG Salo Emerg Matro Fed. 5 d AIG Salo Emerg Matro Fed. 5 d AIG Salo Fed. 5 w AIG Salo Fed. 5 d AIG Salo Fed. 5 w AIG Salo Fed. 5 d AIG Japon Small Cos Fed. 5 d AIG Salo Fed. 5 d AIG Japon Small Cos Fed. 5 d AIG Japon Small Cos Fed. 5 d AIG Salo Fe	3 12.40 EUROP/ 1 — AS 1144.95 d Ameri h Corvé 7785.00 d Ameri h Corvé 7785.00 d Ameri h Ameri h SF 77.80 d Europ DOA) LTD Dec) S 849.10 E FAIRFII Fd _ CS 8.18 m/Coruk w Folfris	### FURNOS LUMITED	d Europeon 18.93 GUINNESS FLIGHT INTL ACCUM FD d Doubgreynork Money Day d US Doker Money Day d US Doker Hoh Ye Bond 3 24.52 d Intl Botanced Grh 3 34.34 HASSEN BLOKHLER ASSET MANGT Gestabel. w Hassenbichter Com AG 3 874.99 w AFFT 151.00 HASFET 151.00 HASFET 151.00 HOF FINANCE Tel (33-1) 46764454. Fox 4676455	d Class A-2	w Guesor Inff Fund N.V	d Universal Fund	## Elike World Fund LidSF ##85.18 ##85.17 ##85.17 ##85.17 ##85.17 ##85.17 ##85.17 ##85.17 ##85.17 ##85.17 ##85.17 ##85.18
WAIG United Process   161,982   d Cl Global Fund   d Cl Global Fund   d Cl Global Fund   d Cl Genera Morriers Fi   wAIG Southest Asia San Cos \$ 97,797   d High Life Fund   Ecu   9,41   d Cantrol Infl Enal   d Cl European Fund   d Cl Europ	G _ C	letd Sentry Ltd. 3 347,80  Y Solect Ltd. 5 512,7275  TVY FIRTL INV. SERVICES (LIII)  TVY SERVICES (LIIII)  TVY SERVICES (LIIII)  TVY SERVICES (LIIII)  TVY SERVICES	w Mondinest EuropeFF	EUROPEAN BOND PORTFOLIO (USS)  Class A-1. DM 9.91  Class A-2. DM 9.91  Class B-1. S.M  S.M  S.M  S.M  S.M  S.M  S.M  S.M	d Red Tiper	d Europeon SF 1824 For East S 1235 d China Gotvery S 1235 d China Gotvery S 1436 d Emerging Markets CI A 5 1436 d Emerging Markets CI B 5 9.75 d Global Untillies S 9.75 d Global Convertible S 9.50 d Global Bolancad S 1039 d Global Income CI A 5 14.43 d Global Income CI A 5 14.43 d Global Income CI A 5 14.43	d Emi Spoin Int. Plas B. Pio 11180.00     d Emi UK Index Plus B. C   130.00     d Emi UK Index Plus B. C   101.27     d Emi VK Index Plus B. C   101.27     d Europe 1992   3   10,71     w F M.P. Portfolio   3   0,5310     m Fehum Fund   3   1264.72     m Firebird Oversees Lid   3   131.92     w First Emple Fund   5   5828.00     w First Emple Fund   Ecu   24.07     w First Emp
d Airred Bars Norden S 208.99 W Korsto 7151 Century II W Korsto 7151 Century II W The Yellow See Invid J For East S 152.77 CINDAM BRAZIL FUN G Cindom Equity Fund d Global S 169.99 d Cindom Bolenced For J 179.00 CT18AMK (LUXEAMS IN North Arrevicu S 117.09 d Cilinvest For USD G Cilinvest FOR USD G UK. 17.45 d Cilinvest FOR USD G CIlinvest FOR USD G CIlinvest FOR ECU ALPHA FUND MANAGEMENT, LTD	144 2538   PIMMAN   Politic   Pimman   Politic   Polit	of Grown Fund	### Hermes European Fund — Bou ### Hermes Harmes Harmes Harmes Allan Fund 354.72 ## Hermes Strategies Fund 354.72 ## Hermes Strategies Fund 3 ## Hermes Strategies Fund 3 ## Hermes Strategies Fund 3 ## Hermes Boutral Fund 3 ## Hermes Boutral Fund 3 ## Hermes Boud Fund Bour Hermes Boud Fund Bour Hermes Boud Fund 3 ## Hermes Gold Fund 3 ## Hermes Gold Fund 5 ##	YEN PORTFOLIO  of Category A. Y 1306  of Category B. Y 1262  MULTI CURRENCY BOND PTFL  of Class B. 21,31  of Cass B. 21,31  of Cass B. 21,31  of Cass B. 30,00  of Cass B. 30,	m Regent Pacific Hdo Fd	d Disk Globel Bond Disk d Yes Globel Bond Yes	w FL Trust Asia
48 Par-La-Ville Rd. Homitton, HATT Sermude   Citicurrencies USD_   W Albho Aste Hedge (Dec 14)_5   101.62   Citicurrencies USD_   Citicurrencies Dec 14)_5   MAIste Europe Fd (Nov 38)_5   28.17   Citicurrencies GBP_   Albho Gist Pro Trod Nov 308   99.97   Citicurrencies Year_   Albho Gista Fd (Citicurrencies Year_   Albho Hate Fd CA-VC 31_5   41.66   Citicurrencies Year_   MAIste Hate Fd CA-VC 31_5   41.66   Citicurrencies Year_   Yea	DM 14534 d Indian  ( 1467.98  V 1247.98  V 1247.99  Guilty Eto 149.90  tv FF 1291.95  itv DM 89.98  P.O. Box  gr FMC 1457.99	on invest Co Scorv	IN PRISONS P.P. PATHORIO	BASIC VALUE PORTFOLIO  G Cless A	w Rep GAM Em Mikis Global.s 145.30 w Rep GAM Em Mikis Lot Ams 174.67 w Repuddic GAM Europe CHFSF 176.11 w Repuddic GAM Europe CHFSF 176.11 w Repuddic GAM Growth CHF.SF 176.13 w Repuddic GAM Growth USS.3 146.59 w Repuddic GAM Opportunity \$ 113.11 w Repuddic GAM Opportunity \$ 13.14 w Repuddic Grasy Dol Inc\$ 146.30	# Class B-1 5 12.20 # Class B-2 5 14.55 INCOME PORTFOLIO 5 9.57 # Class B 5 9.57 # Class B 7 9.57 # Class B	as GEM Generation Ecu CL Ecu PALE  ar GEM Generation 1.1d _ 5
m Alsho SAM	5 177.94 mFMG 5 mFMG 5 mFMG 5 mFMG 5 mFMG 5 mFMG 5 FX CONN 1.25 MFMG 5 FX CONN 1.25 MFMG 5 MFM 5 MFM 5 MFM 5 MFMG 5 MFM 5 M	Editor (3) Hov   5   12.22   5   5   5   5   5   5   5   5   5	C/o Benk of Bermudo, Tel : 807 295 4000 m Hestop Flog & Conserve Fel . S nY/ESCO 1NT'L LTD, POB 271, Jersey Tel: 44 33 73114 f Mazimum Income Fund 4,9480 f Sterling Mingd Pill 1, 2,0699 f Sterling Mingd Pill 5,7638 f Gebot Bond 5 f Gebot Bond 5 f Asia Super Gravith 5	of Class B. S. G.48	PREPUBLIC GREEN EUT INCDAM 10.00 PREPUBLIC LOT AM AIGNOC5 96.78 PREPUBLIC LOT AM AIGNOC5 91.64 PREPUBLIC LOT AM PROCOL5 97.15 PREPUBLIC LOT AM PROCOL5 97.15 PREPUBLIC LOT AM MERICO5 97.15 PREPUBLIC LOT AM VENEZ5 88.89 PREPUBLIC LOT AM VENEZ5 88.89 PREPUBLIC LOT AM VENEZ5 88.89 PROB 97.3009 AZ Rotherdom51 129.60 PC Americo Fund51 129.60 PC RG EUROP Fund51 129.60	d Ther. Lift Dropons Fel Ltd 3 37.98 d Theoretin Orieni Inc Fel Ltd 5 26.55 d Thorston Tiper Fel Ltd 3 5 51.07 d Managed Selection 5 12.07 w Jokanfa 5 12.07 w Jokanfa 5 12.07 w Kares 5 12.07 d Assess Greetin 5 17.35 d Asian Consuleror Warronts, 5 17.35 d Asian Consuleror Warronts, 5 413 NEW TIGER SEL FUND 6 4000 5 4428 d Japon 5 1445 d Korte 5 8 23	d GreenLine France—FF 20/23 m Guaranteed Commodity Fels 9,49 m Hemisphere Neutral Oct 31 S 409,34 m Hemisphere Neutral Oct 31 S 223,44 a Highbridge Coptiel Corp. \$ 223,44 a Highbridge Coptiel Corp. \$ 7256,74 b ILA-FGB 5 11,29 b ILA-FGB 5 11,29 b ILA-FGB 5 11,39
an Hermischiere Neufrol Oct 31 s. 19454 sit Latinvest Voine (Doc 16) s. 19484 sit Nichaeol Aurelio (Oct 31) s. 19484 sit Nichaeol Aurelio (Oct 31) s. 19482 sit Ringuler Int'l Franch (Nov 30) s. 19482 sit South Int'l Ring (Nov 30) s. 19482	S 18.413 GARTIM Tel: (35) \$3.4	ORTFOLIOS );	Asia Tiger Wearrant	## Closs A	d RG Pocific Fond FI 13.89 d RG Divirente Fund FI 51.70 d RG Meney Plus F FL FI 117.20 More Robect see Ansterdem Shocks ROTHSCHILD (GROUP EDMOND DE) IN-MOUSE FUNDS w Asian Carpital Horisinas Pd. S 1019.86 w Dolwa LCF Rothschild Bd. S 1019.86 w Fonce Cost Tradillon CHF .5F 1855.45 w Fonce Cost Tradillon CHF .5F 1855.45 w Fonce Cost Tradillon USS. S 1607.90	d Philipolnes. 5 77.74 d Thollond 5 23.57 d Melloysia 5 23.67 d Melloysia 5 7.38 d USS Liquidity 5 10.39 d Ohim 5 13.74 d Singapore 5 25.07 d Palsiolo 5 9.07 I Lorko 5 9.07 I Lorko 7 9.07 I Lorko 9.07	w indigo Currency Fd Ltd. 5 79.83 w infinity investors Ltd. 5 578.86 r inf1 Securities Fund. Ecu 30.83 r inf1 Securities Fund. Ecu 30.83 d intertund SA 540.76 d intertund SA 540.76 d intertund SA 57.75 d intersio DWS DA 88.37 w Jope Great Asion Prosp. 3 189.03 w Japon Pacific Fond. 5 772.39 w Japon Pacific Fond. 5 772.39 w Kenmor Gid. Series 2 5 113.480 w Kenmor Gid. Series 2 5 113.480 w Kenmor Gid. Series 2 5 113.480
ARRAL ASSOCIATES LTD COMMERT ALMITED WAY 27 DECEMBER ASSET MANALA COMMERT ALMITED WAY 27 DECEMBER ASSET MANALA CAPITAL MANAGEMENT LTD WATCH ASSET MANALA CAPITAL MANAGEMENT LTD WATCH ASSET MANAGEMENT LTD CREDITS INVESTMENT ASSET MANAGEMENT ASSET MANAGEMENT ASSET MANAGEMENT ASSET MANAGEMENT ASSET MANAGEMENT ASSET MANAGEMENT ASSET MANAGEME	FdS 9559 EBUTY d ASEAN ASE P	Pacific 3 4/9 pential Europe Eou 1/5 pential Eou 1/5 pentia	Gibbal Energing Morkels_5	## M.B.S Bolomord B CHF _ \$ 25491 ## M.B.S Fined Inc A USD _ \$ 1455.97 ## M.B.S Fined Inc B ECU _ \$ 1471.99 ## UXEMBOURG PORTFOLIO	w Force Cost Tradition BEF-BF  w Letern S  w Letern S  w Letern S  w Letern S  w Chil-Yater S  Pricoulty P6-tenope Swiss Fd SF  Pricoulty P6-tenope S  P7-tenope S  P7-te	# Equity Intonne	m Kinaste Global Fd Ltd
Internati Connect Bds		VE FUNDS	TALFORTUNE HITL FUNDS  v Closs A (Asper Growth Ital)s 88373.00  v Closs B (Global Equity)	COSS A 5 10.51 CLSS S 5 10.51 MERRILL LYNCH INC \$ PORTFOLIO CLSS A 5 7.98 CLSS A 5 7.98 CLSS A 7.98 CLSS B 5 7.98 CLSS B 7.98 CLS B 7.98	re Selective Invest SA \$ 224.67 b Secret \$ 5 \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	d Asia Growth Convert SFR. SF 110A7 d Asia Growth Convert USS \$ 1677.29 d UBZ DM - Bond Fund	m London Portfolio Services. S 12.53 m LPS Inti H.P.B. 3 10.76 m Luri Inti Mgt Fd Lid. 5 100.93 w Luxitural. 5 100.93 w Luxitural. 5 100.93 m Lyru Sel. Holdings. SF 141.74 w M.Kingdon Offshore, N.V 5 17.91 m MacSer Cap 2. Holder Fd 5 127.92 w Moriferhern Offshore Fd 5 1279.79 m McCal Int. Limited 5 220.28 w Millermium International 3 12.99
d BBL Invest Latin Amer \$ 44.52 d CS Parti Growth SFR d BBL (L) Invest UK	# (A) Ge # (A) Ge # (B) Ge # (	enante Ecole 5 153.61 L ASSET MANAGEMENT TRE FUNDS SLOussies of Mon 44-624-65603 erico 5 409.79 d Astrala 5 400.16 ASSEAN 5 400.22 ASSEAN 5 216.97 Boston 5 226.77 Boston 5 90.72	JF Jopen Sm. Co Tr	MILL ENMIUM ASSET MANAGEMENT TO USS Global Currency Fo 1008.86 MOMENTUM ASSET MANAGEMENT TO MARTENHAR Rothbow Fo TO MARTENHAR ROTHBOW FO TO MARTENHAR ROTHBOW FO TO MARTENHAR ROTHBOW FO TO MARTENHAR ROTHBOW THE MARTENHAR ROTHBOW WHITE South East Asia S. 15.71 W Willer South East Asia S. 15.71 W Willer South East Asia S. 15.71 W Willer Telecom S. 5.81 W Willer Management Willer Management Willer Management Willer Management S. 5.81 W Willer Management S. 5.81	I Selection Hortzon	IFTERNATIONAL MASSAU	m M.J.M. International 1.id. 3 d.M. Princip Protec Plus 3 no Mamentum Guild 1.id. 5 w Montentum Novellier Peri 5 w Montentum Novellier Peri 5 m Mont Blanc Funds Porff 3 m Mont Blanc Funds Porff 3 m Mont Blanc Funds Porff 3 m Mont Soo See Growth 0 3 m Monte Soo See See See See See See See See Se
d Revide Cont 5-Meditum DEMDM 209855  O Revide Cont 5-Meditum USD 3 3070.14  RAMOULE BELL SE ASSET MEMIT FUND  FOR TO DISTRIBUTE CONTINUE VIEW 11.51  FOR TO DISTRIBUTE CONTINUE VIEW 11.51  FOR TO DISTRIBUTE CONTINUE VIEW 11.51  FOR TO DISTRIBUTE VIEW 11.55  FOR TO DISTRIBUTE	Yen_Y 1453400 W GAM C W G W G W G W G W G W G W G W G W G W	Crms-Market 3 171.81 6 6 6 6 7 7 7 7 8 8 15 6 6 7 7 7 8 8 15 7 7 8 8 15 7 8 8 15 7 8 9 8 15 7 8 9 8 15 7 8 9 8 15 7 8 9 8 15 7 8 9 8 9 8 9 8 9 8 9 8 9 8 9 8 9 8 9 8	Boarboard	w Willerhunds-Willerband Eur Ecu 12.65  w Willerhunds-Willerea Eur Ecu 13.32  w Willerhunds-Willerea Eur Lit 11914.00  w Willerhunds-Willerea Indy _ Lit 11914.00  w Willerhunds-Willerea NA 3 11.33  w Willerhunds-Willerea NA 11.33  w World Bond Fund _ Ecu 12.62  m Ungenese Equities _ Ecu 14.23  m Lungenese Equities _ Y 790  m Emergina Markets _ 5 21.19  m Architrose _ 5 9.88  m Hisdon _ 5 12.15	SC FUNDAMENTAL VALUE BVI LTD THE 599 9 22930 FOX 597 9 32931 IN NAV	# Dinvest Ind Fix Inc Strat _ \$ 847.95 x # Jaginvest _ \$ 1973.28 x # Mar Invest _ \$ 1299.48 x # Maur Invest _ \$ 1299.48 x # Maur Invest _ \$ 1299.48 x # Maur Invest _ \$ 1299.48 x # Pulsor _ \$ 187.27 x # Pulsor _ \$ 187.45 x # Pulsor _ \$ 187.45 x # Pulsor Overty _ \$ 187.45 x # Quantinvest _ \$ 2715.29 x # Quantinvest _ \$ 2715.29 x # Gugminvest _ \$ 135.71 x # Steinmest _ \$ 2790.08 x	m htmetyfisee Naring: Fd NV_Ecu 1007.25 m NNT Asian Set. Perfission
BANGUE INDOSUFEZ W The Droson Fund Sicov	DAM 24.77 of DA Ven FF 885.84 v GAM 8 FF 95.78 v GAM 8 DAM 24.85 v GAM 8 S 25.10 v GAM 8	usschemork DA 190.55 d.  Allocated Mith-Pd 5 195.92 d.  Allocated Mith-Pd 5 195.92 d.  Ernera Mits. Mith-Fd 5 17.93 d.  Mith-Europe USS 5 119.85 d.  Mith-Europe DM DA 120.84 d.  Mith-Global USS 5 103.57 d.  Mith-US 7 100.85 d.  Troding USS 5 168.89 d.  Troding USS 5 168.89 d.  DW 120.84 d.  DW 120.85 d.  DW 120.86 d.  DW 1	Switss Board Fund. SF 72.26  DAN Board Fund. SM 118.28  Convert Board Fund. SF 87.90  Euro Stock Fund. SF 122.00  US Stock Fund. S 122.60  Pocific Stock Fund. S 123.60  Switss Stock Fund. SF 137.40  Switss Stock Fund. SF 137.40  Jopins Stock Fund. Y 9310.00  German Stock Fund. M 103.00  103.00  104.00  105.00	MICROLAS-APPLEGATE CAPITAL MGT M.A. STROPERIC Opportunities. 5 100.15 w NA Flee lible Growth Fd. 5 100.13 w NA Flee lible Growth Fd. 5 100.13 w NA Hedge Fund. 5 100.00 MONINGER INTL (HIDNO KONG) LTD MONEY ASSET MANAGEMENT LTD 21 Grosvenor SLIda WIX 97E-46-71-499 2996 d Odey European. 5 100.04 w Odey European. 5 100.04 w Odey European. 5 100.04 w Odey European 5 100.04 w Odey European 1 100.04 W Odey European 1 100.04 W Odey European 1 100.04 M Odey European 1 100.04	d Millio Inc	w Tutthrwest 5 1915.67 z URINON BANCAIRE ASSET MGT (UBAAA) INTERBAT IONAL, LUXEMBOURG W UBAM S Bond 5 1172.56 z W UBAM Emersing Growth 5 122.67 z W UBAM FRF Bond FF W UBAM FRF Bond FF W UBAM Germony DAM BST 303 z W UBAM Germony DAM BST 403 z W UBAM Germony DAM BST 403 z W UBAM Jopon Y 8418.00 z	m Pan Fleet inc Fd (Jan 31)3 194.33 m Pan International 1.1d
d ISA Jepon Reg. Growth Fd. Y d ISA Pocific Gold Fand . 5 d ISA Sharin Find Pand B. d ISA Asion Income Fund . 5 d ISA Asion Income Fund . 5 d IsA Asion Income Fund . 5 d Indexect Kortes Fund . 5 d Indexect Kortes Fund . 5 d Indexect Kortes Fund . 5 d Income Fund .	18 27/32   W GAM   W	Pocific 3 918.72 Pon Europea 5P 90.72 Pon Europea 5P 90.72 Pon Europea 5P 90.72 Rejarity Value 5 97.72 Selection 5 90.74 Selection 5 90.74 Selection 5 177.99 Selection 5P 177.99 Selectio	Karuon Stock Fund	w Deer Europ Growth Acc. DAM 133,M w Oder Euro Grib Ster Inc. L 53,96 w Oder Euro Grib Ster Acc. L 53,25 U.D. MUTUAL INTERNATIONAL FD MANGERS d European Stockmarker 3 6,982 d Emerging Markel Band. S 1,010 d Emerging Markel Equity S 1,010 d Global Special Markel Equity S 1,155 d Global Managed S 1,155 d Global Managed S 1,155 U.D. MAITUAL INT. (GUERNSEY) LTD	### Equity Nordic 5 1.66 ### Equity Continental Europe 5 1.66 ### Equity Continental Europe 5 1.66 ### Equity North Amorico 5 2.01 #### Equity North Amorico 5 2.01 #### Equity North Amorico 5 2.01 #### Equity For Each #### Hotel For Each #### Equity For Each ##	# UBAM Sterling Bond \$ 93.48	m Pequal InfT Fand
d Singap & Moley Trust	## 11.06 ## GAM	Whiteharm   1886 Worldwide   5 144,59 Bond USS Ord   5 144,59 Bond USS Social   6 167,62 Bond SF   191,62 Bond SF   191,62 Bond Yet   Y 1467,50 Bond Commodition   186,62 I Special Bond   1 188,18 Universal USS   5 143,48 M Consposite   5 22,24	KI PACIFIC ASSET MANAGEMENT INC  TIKI ASS POCISIC POLISIS  KIDDER, PEABODY  5 THE STREET STREET  5 THE STREET  5 THE STREET  5 THE STREET  11908  119	d Sterling Managed 2 d Sterling Special Market 5 d European Shackmarket 5 d Dation Special Market 5 d Dation Special Market 5 d Dation Managed 5 d Emery Asion Stockmarket 5 d Pacific Stockmarket 5 d Facility Stockmarket 5 d Facility Stockmarket 5 d Facility Group 5 718.53	### Bond Sweden Acc	### description   ### descript	d Profirent S.A.
d Indessuer Multimedia Fd. 5 d Indessuer En Smi Co M. DM. 10,00 d Indessuer En Smi Co M. DM. 10,00 BANGUE SCS ALLIANCE-CREDIT BANK- (4722) 36-151, Geneve W Pleiode North Am Equities 5 W Pleiode North Am Equities 5 W Pleiode Asin Pucific Eq. 3 W Pleiode Asin Pucific Eq. 3 W Pleiode Asin Pucific Eq. 3 W Pleiode Defice Bonds 5 W Pleiode Defice Bonds 5 W Pleiode Defice Bonds 5 W Pleiode Defice Bonds 6 W Pleiode Bon	SF 154.01 w Global ming _ 1	al Strategic A	d Global Advisors Port NV A.S. del.5 d Global Advisors Port NV B.S. 10.87 d Labrico Cur Adv. A/B	w Olympia Securite SFSF    w Olympia Stors Emero Akdas    w Winch Eesiera Drugon S    w Winch Frodier S    w Winch Fut Olympia Stor S    w Winch G Sec inc Pi (C) S    w Winch Hole Inc Pi (C) S     w Winch Hole Inc Pi (C) S    w Winch Hole Inc Pi (C) S     w Winch Hole Inc Pi (C) S     w Winch Hole Inc Pi (C) S     w Winch Hole Inc Pi (C) S     w Winch Hole Inc Pi (C) S     w Winch Hole Inc Pi (C) S     w Winch Hole Inc Pi (C) S     w Winch Hole Inc Pi (C) S     w Winch Hole Inc Pi (C) S     w Winch Hole Inc Pi (C)	### Asia Fund	# Japan-Invest   SF   20,50 v   # Pucific-Invest   SF   20,50 v   # Soft   SF   20,50 v   # Stormalinovino-Invest   SF   20,50 v   # Stormalinovino-Invest   SF   20,50 v   # Stormalinovino-Invest   SF   20,50 v   # Stormalino-Invest   SF   20,50 v   # Stormalino-Invest   SF   20,50 v   # Simo   SF   20,50 v   # Simo   SF   20,50 v   # UBS America Latino   SF   9,50 v   # UBS America Latino   SF   9,20 v   # UBS Assign New Horizon   SF   75,70 v	b Schum Fund
w Pictode ECU Bonds ECU worked Fig. 27 d Credit Bond Fid Fif w Pictode Euro Conv Bonds Fif 105.27 d Credit Bond Fid Fif w Pictode Euro Conv Bonds Fig. 39.16 d Credit Bond Fid Fif w Pictode ECU Reserve ECU 104.23 d Credit Bond Fid Live w Pictode ECU Reserve Fig. 105.54 d Credit Bond Fid Pictode Fif Reserve Fig. 105.54 d Credit Bond Fid Pictode Fif Reserve Fig. 105.54 d Credit Bond Fid Pictode Fig. 105.54 d Credit Bond Fid Pictode Fig. 105.54 d Credit Bond Fid Vistode Fig. 105.55 d Credit Bond Fid Vistode Fid Charles Fig. 105.55 d Credit Bond Fid Vistode F	A	A (CH) Mandial SF 90.13 A (CH) Mandial SF 55.36 A (CH) Pocific SF 280.37 EGISTERED FUNDS EGIST	w USD Money Morteel Fd 5 10.0 w Indonesian Growth Fd 5 21.37 w Asian Growth Fund 5 2.71 w Asian Warrund Fund 5 2.50 LLO'TD GEORGE NAMENT (753) 95 4431 17.29 w LG Asian Snotler Cos Fd 5 10.29 w LG Asian Snotler Cos Fd 5 10.29 w LG Japan Fund Lud 5 10.20 w LG Japan Fd Ptc 5 10.26 w LG Korne Fd Ptc 5 10.26 w LG Korne Fd Ptc 5 10.27	w Winch, Reser. Muttl. Gv Bd.5  W Winchester Tradiand	### SE Bonds H World Wide 5   18.22   ### SE Bonds I Inby L II   3092.00   ### SE Bonds I Inby L II   3092.00   ### SE Bonds J Belakum	d UBS Asio New Horkson S 72.89 y d UBS Small C. Europe DM 902.99 y d UBS Small C. Europe DM 902.99 y d UBS Small C. Europe DM 902.99 y d UBS Part I my SFR Coo G SF 902.59 y d UBS Part I my SFR Coo G SF 902.59 y d UBS Part I my East No. SF 902.99 y d UBS Part I my East Coo G SF 900 y d UBS 900	m Soirt Hedge Hild \$ 100.23 m Soirt Neufral Hild \$ 77.79 w Sleinhardt Oseus Fd Lifu. \$ 77.29 w Sleinhardt Oseus Fd Lifu. \$ 77.29 w Straid Hedfincare Inn Fd \$ 107.79 m Straid Ford \$ 107.79 m Strain Offshare Lift \$ 107.29 m Strain Global III Lift \$ 200.45 d Surset Global III Lift \$ 200.45 d Surset Reform Lift \$ 200.45 m Strain McClary \$ 90.00
### A Compiler Description   12.779   1	OM 14228 556 (1) C ECU 1362.0 W GAM FF 1551.2 W GAM SF 1551.6 W GAM ECU 71.7 W GAM ECU 174.2 W GAM DM 215.0 W GAM	Ower Moself St. Discher 24:53-1-2-mosel A Asia Inc. DM 94.8 A Europa Acc. DM 123.11 A Toltyo Acc. DM 123.11 A Toltyo Acc. DM 165.72 A Toltyo Acc. DM 166.72 A Universal DM Acc. DM 166.73 A Universal DM Acc. DM 167.77 Global ST. SALE ST. SALE ST. SALE SALE SALE SALE SALE SALE SALE SALE	w LG Strategic Gold Fd Ltd\$ LLOYDS AMM INTIL (RANAMAS) List w Lloyds Americas Particile\$ 1,54 LOMBARD, OOHER & CLE - GROUP OBLIFLEX LTD (CI) d Mattingrescy\$ 22,70 d Dollor Long Term\$ 4,70 d Dollor Long Term\$ 4,90 d Pound Sterfine\$ 22,23 d Dudsche Mark	77 Front 30, Ferminos, Sermans aw Arsanes W Oothine Emercife Fill Lid	SOUTTIC ASSET MANAGEMENT INC.  * SAM Diversified	# UBS Part Inv USS Cap GSF y J7.5 v d UBS Part Inv USS Cap GS 74.5 v d UBS Part Inv DM IncSF 44.5 v d UBS Part Inv DM IncSF 44.5 v d UBS Part Inv DM Cap GSF 45.0 v d UBS Part Inv DM Cap GDM 112.9 v d UBS Part Inv Lift IncSF 46.5 v d UBS Part Inv Lift Cap GDM 112.9 v d UBS Part Inv Lift Cap GLF 119780.00 v d UBS Part Inv Lift Cap GLF 110251.00 v d UBS Part Inv Lift Cap GLF 1102	m The Bridge Fund N.V \$ 12,85 m The Geo-Gabola Orishore _ \$ 78,50 d The leaft Multi Advisors _ \$ 78,50 m The J Fund B.V.J. Ltd \$ 794,777 m The Jopun Fund N.V \$ 77,25 m The Jopun Fund N.V \$ 792,777 m The Jopun Fund N.V \$ 199,00 d The M^A R*5 Fol Sicov A _ \$ 199,00 d The MAPA The Fol Lick _ Equ
BARING INTL FD NIMES (NELESTRICE)   C   C   C   C   C   C	FF 188-27 W (A) F (A) F (B) F	dei: (889) 25-400 Fox: (889) 25-4189 J.D.GAL STRATEGIES LTD Original Investment 5 94.18 Financial & Metals 5 142.51 Global Diversified 5 142.51 Global Diversified 5 154.36 Global Diversified 5 154.36 Diversified Risk Adi 5 154.36 Diversified Risk Adi 5 154.36 Diversified Risk Adi 5 144.99 Inti Carrency & Bond 5 150.00 Global Financial 5 2.94 I WORLDWIDE FUND 5 17.17 AL FUTURES & OPTIONS SICAY	d HY Euro Currencies — Ecu 1544 d Swiss Franc — 5F 1334 d US Dollar Short Term — 5 10,45 d HY Euro Curr Divide Pay — Ecu 10,45 d Hy Euro Curr Divide Pay — Ecu 10,45 d Hy Euro Curr Divide Pay — Ecu 10,45 d Européan Currency — 5F 12,49 d Convertible — 5 14,49 d Swiss Multi-Dividend — 5F 154,49 d Swiss Multi-Dividend — 5F 154,91 d Swiss Multi-Dividend — 5F 19,35 d Swiss Repres Short-Term — 5F 10,35	d Orbites Ghi Discovery Fd. 3 d Orbites Forenth Fd. 3 d Orbites Health & Envir Fd. 3 d Orbites Health & Envir Fd. 3 d Orbites Loom Small Cop Fd. 3 d Orbites Notural Res Fd. CS PACTUAL d Eternity Fund Ltd. 3 d Infinity Fund Ltd. 3 d Stor Migh Yield Fd Ltd. 3 PARTIAS-GROUP PULICIP S 820	SR BLOBAL FUND LTD  #75R EUTPEON 5 #0.5R Askm. 5 #0.5S Askm. 6 #0.5S Ask	d UBS Port Inv FF Cap G	m The Smart Bone Ltd
W Europa Fund	M 191.30 MFM (90.10) MFM (90.1	M int 8d Prost-CHF CI .SF 97.19 MAM SACHE 5 11	Condition Delicer Cs 13.42  d Delich Fern Meriti FI 1491  d Swiss Franc Divid Poy SF 10.43  d CAD Mutilicur. Div. C5 11.49  d Madiller toneion Corr SF 9.51  d Corvertibles. Grant SF 9.51  d Corvertibles. To Term DM 18.14  MAGRIJIA FURDS 181e of Mean Tel 44-03 48 229 Fox 44-03 48 234  w Magnum Fend S 89, 22  w Magnum Fend S 89, 22  w Magnum Fend S 89, 22  w Magnum Fend S 72,48	d Purvest USA B	w Svensko Sel. Fol. JosonY	# UBS MAN Invest-BFR	## Tweedy Browns Int'l N.V
# BDD Bcg Cosh FundSFSI_04   d Court Terms DEDN. # BDD Swiss Front CoshSFSI_04   d Court Terms DEDN. # BDD Ind. Bond Fund-BcgEccSI_05   d Court Terms GRPSI_05   d Court Terms GRPSI_05   d Court Terms GRPSI_05   d Court Terms GRPSI_05   d Court Terms ESVSI_05   d Court Terms	13.07   wC.55	Auton Fd A Shores 5 74.89 Auton Fd A Shores 5 74.89 Auton Fd B Shores 5 75.67	w Mognum Emery Growth FdS 4.36 in Algorith Agents Agerts Growth FdS 91.28 in Algorith Agents Agents Growth FdS 91.28 in Algorithm Agents Agent	# Parvest Obil-Franc BFF 91,22 # Parvest Obil-Ser 8 60,65 # Parvest Obil-Ser 8 ED. 133,21 # Parvest Obil-Selux 6 LF 633,20 # Parvest 5-T Dollar 8 ED. 132,80 # Parvest 5-T Dollar 8 ED. 132,50 # Parvest 5-T Dollar 8 ED. 132,50 # Parvest 5-T Dollar 8 ED. 132,50 # Parvest 5-T FF 8 FF 74,150 # Parvest 5-T Bef Plus 8 BF 57,41,50 # Parvest Global 8 LF 740,150 # Parvest Jid Bond 8 S 27,90	U SBC Gev* Bt B S	# UBS FIX Term Inv-DA %. DM # UBS FIX Term Inv-Ecu %. Ecu 108.16; # UBS FIX Term Inv-Ecu %. Ecu 108.16; # UBS FIX Term Inv-Ecu %. Ecu 108.16; # UBS Ecu Inv-Europe A. DM # UBS Ecu Inv-Europe A. DM # UBS Ecu Inv-Europe T. DM # UBS Part   FIX Inc (ISFR)SF # UBS Part   FIX Inc (ISFR)SF # UBS Part   FIX Inc (IDM)DM # UBS Part   FIX Inc (IDM)DM # UBS Part   FIX Inc (IDM)DM # UBS Part   FIX Inc (IUSS)S # UBS Part   FIX Inc (IUSS)S # UBS Part   FIX Inc (IUSS)S	Uni-Cibi Set PS Max 3 ons .SF   1604.25
# EuroPromicier® Food III	DM 3176 g G 7 4  FF 1329 d G 7 4  FR 23057 d G 7 4  FR 23057 d G 7 4  FR 1329 G G 7 4  FR 1329 G G 7 4  January 23356 d G 7 4	Asia Fund A Shores	m Mint Se Res Ltd (ISNP) 5  m Mint Glot Currencies 5  m Mint Glot Currencies 2001 5  m Mint Glot Figure 5  m Mint Plug Glot 2003 5  m Attenn Glot Futures 5  m Attenn Glot Currencies 5  m Attenn Glot Currencies 5  m Attenn Glot Currencies 5  m Attenn Glot Financies Cop. 5  m Attenn Glot Financies Cop. 5  m Attenn Glot Financies Inc. 5  m	## Parvest Obst-Life B	## SBC Bond PHI-FF BFF ## 44.53 ## 58.00 PHI-FF BFF ## 44.53 ## 58.00 PHI-FF BFF ## 58.70 ## 58.00 PHI-FF BFF ## 58.00 PHI-FF B	d UBS Part   Fix Int (FF)	m Victor Futures Pend
Prency Securite DA 271.81 (1965) 54	FF 40.15 8 GT 21.9 6 GT 21	Bond Pd A Sharet	m AHL Conventity Fund	FX, Financia's & Financia's 27(2.1)   Grotetin NV	d SSC MMF - DFR	w Actigosium Sicav FF 45.47  w Actigosium Sicav 5  w Adeloide FF 196.97  w Advanced Pacific Strai 5  w Alexandro Gibl Invest Fd 1.5  w Assalia International Fund 5  w Aguilla International Fund 5  78.46	m Wontdwide Limited
W SEF/LUF DM DM 2937.44 d Curster Gibl 64 Or Whethdevises DM 2937.44 d Curster Gibl 64 Or Whethdevises DM 2937.45 d Curster Gibl 64 Or Whethdevises DM 2937.45 DAR FER HENTSCH 6 DAR FER HENTSCH 7 DAR FER HENTSCH	SOF-64 77.0 w GT (	Indian Small Cos B Sh	MARTHME MANAGEMENT LTD 2789 27 Front 31 Homition Bermudo 1897/22 9789 27 Front 31 Homition Bermudo 1897/22 9789 28 Mortiline Mil-Sector LLiq .5 197.07 28 Martiline Gibl Delto Series .5 197.93 28 Martiline Gibl Delto Series .5 197.93 29 Martiline Gibl Delto Series .5 197.93 20 Martiline Gibl Delto Series .5 197.93 20 Closs A	## P.C.F. Volitorio (Lux)	d SEC AMF - Pres Pres SET AMF - Pres SET AMF - US - DOILOT - S - 7C.9.08 d SEC AMAF - US - DOILOT - S - 7C.9.08 d SEC AMAF - US - DOILOT - S - 7C.9.08 d SEC AMAF - VS - Y - Y - Y - Y - Y - Y - Y - Y - Y -	## Argus Fund BoloncedSF 1773.3 ## Argus Fund BondSF 103.57 ## Argus Fund BondS 103.57 ## Argus Coccunio FundS 13.40 ## Argus Coccunio FundS 13.40 ## Argus FundS 13.40 ## Argus FundS 193.56 ## Bonzo Fund LifeS 193.56 ## Bonzo Hedged Growth Fd _5 ## Bencumon Int Coc AccS 122.	It's easy to subscribe in Great Britain just call: 0 800 89 5965
w Entrope de Cantre.  W Entrope de Std.  Ecu 11192  W Losses  W Cabbo  Losses  L	1207.37 wGT	Lette America B 5 20.84 Necta America Fd A Sh.5 33.71	m Cross A 5 93.22 d Closs B 5 91.90 MAVERICK (Corymon) (1897) 947-742 so Mayorick Fund 1 150-2229 Init; FF - French France; FL - Dutch Filorin; east M.A Aloi Available; M.C coftenge; et- Amsterdam exchange; et- M.S. Oner on publication; et- bld neffe	₩ P.T.F. Emery Midts (Lux) _\$ 201.36	<u></u>		E at (33-1) 46 37 21 33.

 $\sqrt{1}$ 

re · •

STATE OF THE STATE

# WHAT FOUR LETTER

# WORD COMES TO MIND

# WHEN YOU THINK

# OF DIGITAL?

# RIGHT. UNIX.

We'll be the first to admit that, in years past, we weren't always such a clear choice for systems and solutions based on UNIX™ specifications. And the four-letter words that came to people's minds were neither "UNIX" nor another one that sums us up nicely these days: "open."

But in the past couple of years, we've been working hard to fix that. And today, we offer some of the most competitive products on the market.

Our DEC OSF/1" is the most standards-compliant, highest-quality version of the UNIX operating system in the industry. A truly unified open system, it allows you to run applications designed for all the major UNIX variations, like System V, Berkeley and more.

It also offers outstanding availability and the fastest recoverability of any version of the UNIX operating system. It's so robust, it's being used in mission-critical applications that were once trusted only to proprietary systems.

It's also the only commercial 64-bit version of the UNIX operating system there is. So for about the same

money as 32-bit systems, you get a system with a future that can be measured not in years, but in decades.

While we're on the subject of getting a lot for very little, we'd like to mention our AlphaServer™ family. Five servers acknowledged as the current price/performance leaders in their respective classes, they will run complex applications with ease, including UNIX applications, of course.

Then there's our family of workstations, the DEC 3000™ and AlphaStation™ systems. Six products that provide industry-leading price/performance across the board.

Offering the kind of sizzling performance demanded by users of complex technical, business and scientific applications, they're a big reason why Digital is one of the fastest-growing workstation makers in the industry.

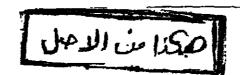
It's simple. We decided to do whatever it takes to become the best source of UNIX-based solutions in the business. A source people swear by. And now we are.

For more information, call your local Digital sales office or reach us via our Internet address: moreinfo@digital.com.

© 1994 Digital Equipment Corporation, DEC, Digital, the DIGITAL logo, AlphaSerrer, a. c. AphaSerts are trademarks of Digital Equipment Corporation UNIX is a regimened trademark in the United States and other counties, located end-mixely through X-Open Company, Ltd.
OSF/1 is a regimened trademark of Open Software Foundation, Inc.

digital

MPSH



Falling Back to Earth

I IN HARVE I II

NET LONG-TERM FOREIGN INVESTMENT

'93 '94

CURRENT ACCOUNT BALANCE

-'93

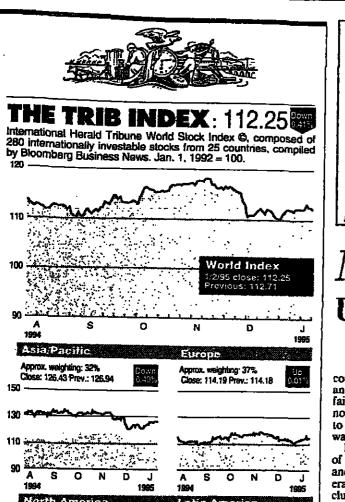
Full years

\*Trade balance including goods,

FOREIGN CURRENCY RESERVES

I II IIIIV I II Dec

1993 '94 28† End of



100

lele Lag

# Mexico Missed the World's New Turn U.S. Rate Rises and Global Recovery Foiled Its Strategy

By Keith Bradsher

New York Times Service
WASHINGTON — Mexico has this in common with Orange County, California, and some other big losers from 1994; It failed to respond quickly when the economic world around it began to change or to realize how risky its economic strategy was until it was too late.

Mexico's risks were built into a strategy of luring investors with high interest rates and a narrow currency-trading range, several international economists have con-

That strategy paid off handsomely from 1991 to 1993 as foreign investors who found a limited number of attractive places to put their money in a global recession poured money into Mexican bonds and notes paying 15 percent interest and bought millions of shares in the rapidly rising Mexican stock market.

Mexicans spent the money buying far more imported goods than the country could pay for with proceeds from its exports - running trade deficits three times as large as the biggest American deficits of the 1980s, if the sizes of the two economies are taken into account.

The strategy flew in the face of advice from officials of the International Monetary Fund. The result, as President Ernesto Zedillo Ponce de León acknowledged in a

speech last week, has been disastrous. Mr. Zedillo, in a nationally televised speech scheduled for Monday night on his plan for rebuilding the crippled Mexican economy, was expected to try to persuade investors that the market they once regard-

ed so highly was not a mirage.

Mr. Zedillo worked through the New Year's weekend to put the finishing touches on a plan to limit wages, prices and spend-ing while lining up financial backing from

the United States and Canada, major European nations, American commercial banks and the International Monetary Fund.

Investment bankers, money managers and analysts were eager to see how Mr. Zedillo - who has been in office just a month - intended to sketch an economic recovery while keeping the lid on simmer-ing social problems bound to be aggravated by the disastrous devaluation of the

peso last month. The changes in the economic world that proved so devastating to Mexico's strategy came from a multitude of sources at home

When reserves ran low. officials had to abandon the centerpiece of their policy: a guarantee that the peso would hold its value in dollars.

and abroad. For one, the U.S. Federal Reserve Board's decision in February to begin driving up interest rates made it more attractive for many to invest in the United States, rather than Mexico.

In addition, many other economies began to emerge from recession and compete for international investment in 1994, and political violence in Mexico made loans and stock purchases there seem risky.

When the money stopped flowing in, the Mexican government spent close to \$20 billion in six months to defend the peso's value. When reserves ran low, officials were forced to abandon the centerpiece of their economic policy: a guarantee that no matter what happened, the pesos would

hold its value in dollars. The peso has since lost roughly 30 percent of its value.

End of year

Heported unofficial

As the problem began shaping up, Mexico followed much but not all of the advice dispensed by the International Monetary Fund, the World Bank and other economic organizations: It sold state-owned enterprises, it balanced its budget, and it eliminated trade barriers, notably through the North American Free Trade Agreement, which took effect a year ago.

But the government at the time chose proved the budget, said the govnot to risk social turmoil by devaluing the peso, which would have made popular imported goods more expensive.

Consumer prices in Mexico rose 27.9 percent from the end of 1991 through the middle of 1994, yet the dollar value of the. peso fell only 9.4 percent in that time. For would-be foreign buyers with dollars to spend, the slightly cheaper currency was not nearly enough to offset the higher

Evidence that the peso needed to fall further was visible in cities along the U.S.-Mexican border the last few months, where large numbers of Mexican shoppers were coming across the border to buy because prices were often better in the United States than at home.

The result was a trade deficit reaching 8 percent of Mexico's economic output in 1994. The rule of thumb used by the IMF and many other international economic organizations is that a developing country's trade deficit should not exceed its economic growth rate. Mexico's annual growth has been about 1 to 3 percent the last couple of years.

The United States, of course, has run big trade deficits for years and has relied

See MEXICO, Page 10

# Saudi Budget Tries to Cope **With Oil's Fall**

Compiled by Our Staff From Dispatches 1995 budget, with its calls for Fahd made clear to ministers spending cuts and increased revenue, is an attempt to restore fiscal order after years of free spending fueled by billions of dollars from oil exports, economists said Monday.

The budget, announced and approved Simday, projects expenditures of 150 billion riyals cent in 1994 from 0.8 percent in (\$40 billion), down 6.25 percent, or 10 billion riyals, from

Revenue is forecast to rise by show a trade surplus of 66.2 15 billion riyals, to 135 billion billion riyals for 1994 and a 6 riyals. That would leave a bud- percent rise in gross domestic get shortfall of 15 billion riyals, compared with an estimated 20 billion riyals last year and 40

billion rivals in 1993. King Fahd, in addressing a cabinet meeting that later apernment was prepared to resort to unpopular measures to rein

in expenditures. Economists said the budget measures signaled to both the troleum Exporting Countries. Saudi public and the govern-ment's bankers and foreign trading partners that it was determined to set its house in order and prepared to take unpopular measures to ensure fiscal discipline.

By speaking openly about a budget deficit, these economists said, Saudi Arabia confirmed what had long been generally assumed and gave its finances some of the transparency neces-

sary to generate credibility. Before unveiling the budget, the king issued a decree that almost doubled the price of gasoline for domestic consumption, raised prices on diesel fuel and electricity and introduced a fee on visas for foreign workers.

In the budget Monday, Saudi Arabia also raised prices of telephone calls, water and domestic

The budget did not specify what sectors would be affected

by spending cuts. But in his RIYADH - Saudi Arabia's message to the cabinet, King they must avoid excessive spending, officials said.

In giving an overview of the performance of the Saudi economy, the Finance Ministry said the kingdom's financial health

was sound. the previous year, one of the lowest rates in the world.

Saudi Arabia predicts it will

Nonoil exports were expected to show an increase of 13 percent in 1994, in line with government efforts to reduce

the kingdom's reliance on oil. Saudi Arabia is the world's largest producer and exporter of crude oil, with a daily production quota of 8 million barrels

within the Organization of Pe-The country ran into budget problems earlier in the 1990s as result of low oil prices and payments or obligations totaling \$55 billion to the U.S.-led alliance that defeated Iraq in

the occupation of Kuwait. The average price of a barrel of OPEC crude oil has fallen from \$18.44 in 1992 to \$16.33 in 1993 and \$15.51 in 1994.

the 1991 Persian Gulf war over

Bankers in Saudi Arabia said oil revenue had fallen more than 7 percent in the first nine months of 1994 from a year earlier, to \$30.8 billion.

The budget again did not mention defense spending, which economists and analysts said probably was part of an "others" item in the budget totaling about \$14 billion.

The last announced figure for defense spending was in 1993, when it was put at \$16.4 billion. (Bloomberg, AFP, Reuters)

# **INTERNATIONAL STOCKS**

For more information about the Index, a booklet is available free of charge

Write to Trib Index, 181 Avenue Charles de Gaulle, \$2521 Neully Cedex, France.

Capital Goods

# **European Bourses Count the Days**

113.59 114.56 -0.85

132.67 132.32 +0.26

103.72 104.17 -0.43

117.42 117.57 -0.13

RUSSELS - When Henri Servais talks about the European Union stock-market reforms that are to take effect a year from now, he sounds like a soldier about to enter battle. "When your livelihood is flowing away, you have to stop the blood," said Mr. Servais, who is chair-

SOND

112.07 112.42 -0.31

113.59 113.95 -0.32

109.95 110.72 -0.70 Miscellaneous

Utaties 121.80 121.89 -0.07

man of the Brussels stock exchange. The Investment Services Directive worries officials at Brussels and other small European financial centers. Beginning Jan. 1, stockbrokers and others who trade directly on exchanges will be able to do business anywhere in the EU from their home offices, as long as they are licensed in one member state.

Under the current system in most EU countries, brokers must set up offices in each market where they wish to trade, or else investors have to pay local brokers to trade on their behalf.

The new rules will give investment companies European passports to trade where they like, said Raniero Vanni d'Archirafi, the EU commissioner in charge of the single market. He drafted the legislation.

London, Europe's main financial center, is most likely to benefit from the new rules. By making it easier for investors to trade across the EU from one location, the investment companies are likely to focus their resources where the most buyers and sellers can be found.

Companies will probably show greater interest in listing their shares on major exchanges such as London. The City,

change, is already by far the biggest al players." stock exchange in Europe.

In anticipation of the directive's implementation, institutional traders from the Continent are gravitating toward London. Deutsche Bank AG. Germany's biggest bank, has decided to move its international operations there from

Beginning Jan. 1, brokers will be able to do business anywhere in the European Union from their home offices.

Frankfurt. Other German banks such as Dresdner Bank AG and Westdeutsche Landesbank Girozentrale are also considering increasing the scale of their London operations.

Brokers in small European markets that have relied on business from international investors will feel squeezed.

To survive, investment companies will have to improve services and costs," said Mr. Servais, who is also a director of the Belgian stockbroker Dewaay, Servais & Co. "Personal investors will continue

The Thinking Ahead column by Reginald Dale will resume Jan. 10.

with £766 billion (\$1.2 trillion) invested to use their local stockbroker, but comin stocks on the London Stock Ex- petition will increase among internation-

> With listing restrictions eased, stock trading in Europe in the future may occur increasingly on screen-based systems such as the one used by the Nasdaq over-the-counter market in the United States. This would further weaken small-

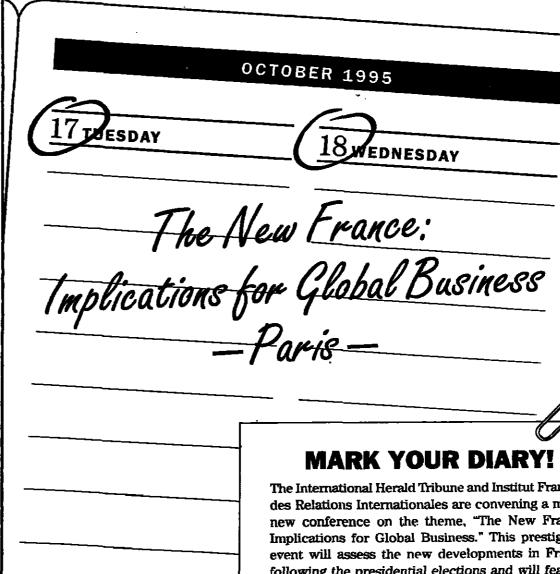
> er exchanges. Information companies such as Reuters Holdings PLC are looking at the possibility of organizing such a system comprising the most actively traded European equities. The EU is also coordinating efforts to create an index of 250

> blue-chip stocks, to be called Eurolist. "It'll be like shopping in one large department store rather than in a series of boutiques," said David Steyn, manag-ing director of Quaestor Investment Management.

> Small stock markets are rapidly reforming to ensure that they have a fu-ture. The Brussels stock exchange has scrapped its system of commission payments based on a broker's earnings and replaced it with one based on the amount

> trade routed through the market. The Amsterdam stock exchange has split wholesale trade, for the institutional investor, from retail trade, for the personal investor, to make trading easier for

Analysts still said they expected the number of European stock markets to shrink. There are 30 exchanges in Europe, compared with just eight in the United States.



## **MARK YOUR DIARY!**

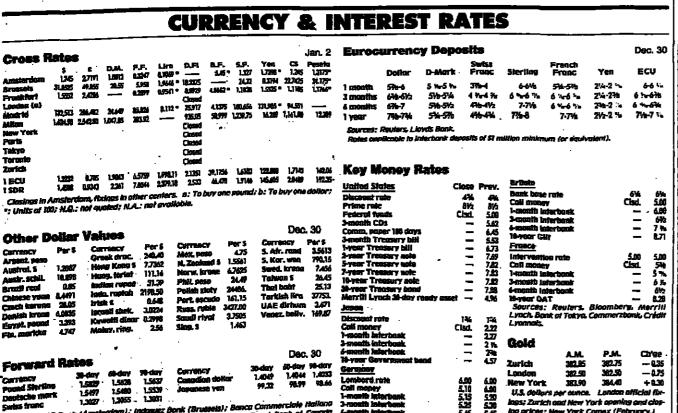
The International Herald Tribune and Institut Français des Relations Internationales are convening a major new conference on the theme, "The New France: Implications for Global Business." This prestigious event will assess the new developments in France following the presidential elections and will feature key members of the new government in addition to major industrialists and finance and government leaders from around the world.

FOR FURTHER INFORMATION, PLEASE CONTACT: Fiona Cowan

International Herald Tribune 63 Long Acre, London WC2E 9JH Tel: (44 71) 836 4802 Fax: (44 71) 836 0717



Herald Eribune



# KLM and Lauda **Expand Foreign Access to Orly**

an airliners landed at Orly Airport south of Paris Monday as France reluctantly opened the airport to new international

and domestic competition. miles) south of Paris, opened to flights by KLM from Amsterdam and Lauda Air from Vienna Both airlines have been fly-ing to Charles de Gaulle Airport, 26 kilometers north of

the French capital. zation and to strengthen Air Inter, the carrier's domestic arm. had resisted European Union orders to open the airport, claiming that Air France needed time to restructure and reduce huge losses. Paris had hoped to delay expanded use of Orly by foriegn carriers until at least 1996.

But pressure had been building on Paris to follow EU freetrade rules. After winning an EU ruling in its favor last summer, British Airways announced it planned to fly to Orly whether France liked it or not. The plane turned elsewhere at the last moment when controllers denied landing rights.
In August, British Midland began service to London's Heathrow airport from Orly.

In November Niki Lauda, the former Formula 1 racing champion, piloted a Boeing 737 belonging to his airline, Lauda

PARIS - Dutch and Austri- port after being refused permission to land at Orly.

Following Mr. Lauda's flight. Transport Minister Bernard Bosson said that landing slots at Orly would be opened to EU The airport, 15 kilometers (9 airlines traveling routes between the member states.

Orly would give the carriers improved access to pick up passengers from the French market, since most domestic flights to the capital go there.

Domestic service out of Orly France, hoping to boost Air continued expanding Monday France before a planned privation with the inaugural flight to with the inaugural flight to Toulouse by Air Liberté, comneting with Air Inter, France's main domestic air carrier.

Air Liberté offered an introductory 570 French franc (\$106.62) return fare until late March on the Paris-Toulouse route. Air Inter's lowest comparable fare is 790 francs.

A flight by the French airline AOM, which has traditionally flown French tourists to vacations in the Caribbean, had inaugurated service from Orly to Marseille on Sunday.

AOM and Air Liberté have said they plan to compete on both price and service.

"This is great news for French air passengers, and for air travel," said Lofti Belhassine, chairman of Air Liberte, but he predicted that faces would probable the fire the near future. (Busines: 1F)

# A Convertible Koruna? Czech Republic Steps Toward West

By Robert D. Gray

PRAGUE - The Czech National Bank this week is carrying out the first of several policy changes that will move the Czech koruna toward full convertibility and could pay

off for shrewd investors.

The first measure, which took effect on Monday morning, allows Czech citizens to buy up to 100,000 koruny (\$3,565) a year in hard currency, up from the 12,000 koruny previously allowed.

But unlike in some other countries, this move is not likely to inspire long lines of people at banks waiting to buy dollars or Deutsche marks.

In fact, John Vax, director of ING (Bank) Capital Markets, predicted the higher limit would have the opposite effect. Many Czechs "will convert their hard currency into crowns because there is a higher interest rate in crown accounts," than for hard currency deposits. Easier access to foreign currency also will end the need for residents to stockpile it for travel

This first step has been viewed by some as a technicality on the road to convertibility and they are now positioning themselves for an anticipated revaluation of the koruna.

While central bank officials will not tip their hand on exactly when they will make this adjustment, it is thought that the bank will act this month or next. Josef Tosovsky, the governor of the Czech National Bank, has already hinted the central bank would allow the currency to fluctuate in a wider band against the dollar and mark than the current 0.5 percent limit, perhaps allowing as much as a 2 percent trading range.

Analysts generally agree the koruna is un-dervalued by about 2 percent, so a widening of the trading band would effectively revalue the Czech currency.

The government is enjoying the advantages of an undervalued currency, which include Leeping foreign investment high (\$2.7 billion through September) and unemployment low

(3.1 percent in November). But a revaluation may be necessary sooner rather than later to avoid higher inflation from an expected fresh wave of foreign investment in February, when shares from the second phase of voucher

privatization begin public trading.

George Collins, a portfolio manager for CS First Boston Investment Group, said he was advising investors to buy securities denomi-

The Czech currency is due for a revaluation, some analysts say, offering potential gains for investors.

nated in Czech koruna so they could profit when the currency was revalued. He said the government and the central bank were "taking the necessary steps" to absorb foreign investment in early 1995 and avoid the pitfalls of high inflation — expected to finish around 10 percent in 1994.

The increase of foreign investment and a budget surplus estimated at 68 billion koruny last year have helped feed a hard currency reserve of \$7.8 billion.

While raising the yearly allowance of hard currency for residents has been described as putting "a toe in the water," it paves the way for relaxation of the Foreign Exchange Act. Parliament is expected to consider further changes to this act in the first half of this year.

The Czech Republic plans to apply for membership in the European Union in 1996. and a spokesman for the central bank said that having a convertible currency was "undoubtedly the most important condition for membership." The spokesman said none of the Czech Republic's emerging market neigh-bors have made such a bold step towards

The next phase of the convertibility process calls for relaxing restrictions on payments for foreign goods with koruny.

# **President** Resigns at **GEC Alsthom**

PARIS—GEC Alsthom NV said Monday that Jean-Pierre Desgeorges had quit his job as president of the company's management board.

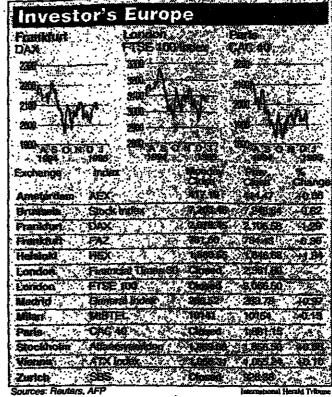
The company, which is a joint venture of Alcatel Alsthom of France and General Electric Co. of Britain, said Pierre Bilger would take over for Mr. Desgeorges, Mr. Bilger is GEC's chief executive. His new title is president and chief executive officer.

The company did not say why Mr. Desgeorges, who is 65. resigned.
Alcatel Alsthom has had a

difficult year. Pierre Suard, who heads Alcatel, was questioned in July on allegations that he defrauded the company.
Then in late November,

Pierre Guichet, the chairman of Alcatel CIT SA, a telecom-munications subsidiary, spent time in jail during an investigation into charges his company overbilled France Telecom SA. As of Jan. 1, the management board of GEC Alsthom, which operates under Dutch law, will consist of James Brian Cronin. managing director, Kelvin Bray, managing director of the energy-production division. and two new members: Claude Darmon, managing director of the transport division, and Robert Mahler, managing director of the transport and dis-

tribution division. GEC Alsthorn, which builds power stations and high-speed trains, earned 329 million European Currency Units (\$405 mil-



### Very briefly:

Germany's central bank president, Hans Tietmeyer, said he expected a continued slowdown in German inflation and thought the rate could be between 2 and 2.5 percent in 1995. The rate averaged about 3 percent in 1994. . Daimler-Benz AG said in the business daily Börsen-Zeitung that

it expected a "considerable" rise in sales in 1995 but added that investment and its work force were likely to decline. BASF AG said in the same publication that it expected earnings

for 1994 to show a clear rise, while Hoechst AG predicted earnings would improve for 1994 and 1995.

Eastern Germany's industrial production remained on a strong uptrend in September and October, rising 16.8 percent in inflation-adjusted terms from the similar two mouths a year earlier.

• The Czech Republic's first daily English-language newspaper. the Bohemian Daily Standard, has collapsed after existing for less. lion) in its last financial year, than six weeks. The editor said the market had been too small to which ended March 31, 1994. support the tabloid.

AFP, Remers, Bloomberg

### **Dollar Rises** In Thin Trade

Knight-Ridder

FRANKFURT - The dollar rose Monday, but traders said thin volume exaggerated the move.

The dollar finished at 1.5578 Deutsche marks, up from 1.5495 DM in New York on Friday. It rose to 100.33 yen from 99.75.

The major markets in New York, London and Tokyo were closed.

# MEXICO: strategy Fell Afoul of Changing World

### Continued from Page 9

heavily on foreign layestment in its stocks and bonds. One difference, however, is

that the U.S. deficies have stayed below 3 percent of economic output. Another is that the United States does not try to fix the value of the dollar in relation to other currencies but allows it constantly to rise and fall in free markets around the

sured to include some financial flows, would double by 1994. But Mexico allowed its line of credit at the IMF to lapse in May 1993 - which cut it free

from the fund's advice, but also

Still. Mexican policymakers had reason for optimism as NAFTA went into effect a year ago. The accord prompted for-Mr. Zedillo pointed out in a The IMF warned Mexico in speech on the economy last pace of these investments

from its money.

could be quickly sold if confidence faltered.

By the end of 1993, foreign investors in Mexico were spending six times as much on their portfolios of Mexican stocks and bonds as to build factories or buy controlling stakes in Mexican companies.

After a peasant insurgency began in a southern state last eign investors to pour more January, and after the frontmoney into the country. But, as running presidential candidate was assassinated in March, the 1989 that if nothing were done, week, most of that money went slowed severely - by 86 perthe trade balance, broadly mea- into stocks and bonds that cent in three months.

# MIGRANTS: Light Penalties and Big Profit Fuel Huge Smuggling Trade

Continued from Page 1 nian Opera House while awaiting guides who help them transit onward.

smuggling is the patchwork of laws and regulations adopted by virtually every EU country during the past two years designed to keep migrants out. The restrictions - tougher asylum policies, enhanced powers of summary exclusion, bilateral agreements with transit countries, stricter employment laws. and tougher requirements for visas and work permits - have fueled a demand for professional smugglers rather than dis-

Coping with apprehended

READERS ARE ADVISED

desages incurred as a re-sult of transactions stem-

of the process of the

PERSONALS

MAY THE SACRED HEART OF IESUS be adored, glarfied, lowed and preserved throughout the world, now and lowerer Sourced Heart of Jesus, pray for us. Somi Jude, worker of manufes, pray for us. Somi Jude, helper of the hopeless, gray for us. Amen. B.

THANK YOU SACRED HEART OF Jesus and Sount Jude for proyers on swered Bulk.

ANNOUNCEMENTS

Attention visitors

from the U.S. !

If you enjoy reading the IHT

when you travel, why not also get it at home ?

Same-day delivery available in key U.S. offies.

Call (1) 800 882 2884 n New York sall 212 752 3890)

flerald. Eribunc

**OPPORTUNITIES** 

TEXTILE MACHINERY
Tompon Production Machine y
Colon Swalt Fortung Machine
Cotton Fod Mochine
V. Fostbrid-Ludwig & Co. AG
CH-8646 Widgen b. Jona
Swatterland
Tel (55) 28 31 41 Te 875349 FALLI CH
Telefac: 55 28 42 60

OFFSHORE COMPANIES PCR. 1.5 Church Street, Douglas, Isle of Man. Tet (9624) 679579 Fast (9624) 679662

brachure or gaines Tel London 44 81 741 1224 Fax. 44 81 749 6558

pasible for loss or

that the Interna

state agencies could be involved

in a single case.

and extortion. a flotilla of smuggling ships from China in 1991 and 1992, European officials are just waking up to the dimensions of the

Just how little is known

about these criminal enterprises Consequently, European law was much in evidence at a enforcement is ill-prepared for three-day meeting of officials dealing with migrant traffick-ing, which also fuels ancillary criminal enterprises such as document fraud, prostitution international Organization for Migration, it was the first time Compared with the United representatives from so-called States, where the government sending, transit and receiving was embarrassed into action by countries have met to address

"Both migrants and governments lack adequate, credible information on migrant trafficking," said James N. Purcell "We have no real idea about Jr., director-general of the mi-

pert on alien smuggling from enforcement efforts." Virtually

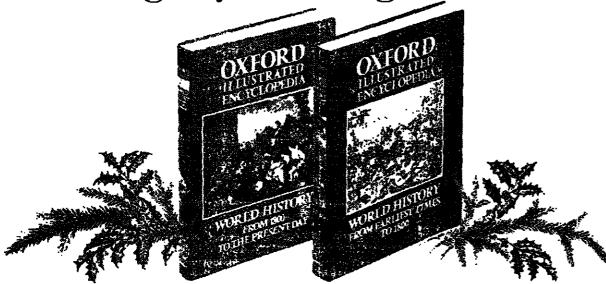
commodity. We're talking the U.S. Immigration and Natabout human beings," Mr. Allert said, adding that up to 20 sess the situation in Europe. in immigrant smuggling and re-lated criminal activity.

But that's about as far a-agreement reaches, even within the European Union, where proposals by Germany for the establishment of a "Europol" with access to national police files was rejected by France and-Spain last month, along with, another proposal for a common European immigration policy.

There also is divided opinion among Union members on whether to treat smuggled migrants more as criminals or vic-. tims, a tension reflected in the title of the Geneva meeting. International Response to Trafficking Migrants and the Protection of Migrant Rights."

Conservatives tend to argue that most clandestine immigrants are simply looking for-

# Give the IHT as a gift and give yourself a gift as well!



A subscription to the HIT is an ideal year-long gift for a friend or business acquaintance — specially at our special gift rate of up to 50% off.

And, of course, we will send the new subscriber a band-once card, signed as you specify, announcing your gift.

Subscribe vortice!

For each six-or twelve-month gilt subscription that you order we will send you the Oxford Special bonus

# for current subscribers

We will extend your own subscription by one week for each menth's gift subscription you enter. For example, if you order two one-year gift subscriptions, your own subscription will automatically be extended by 24 weeks.

12 months compation Companie 1995 | I most 1995

345

430

780

Up to 50% off the cover price! Emyelopedias illustrated above - absolutely free And, of course, we will send the new subscriber a

### Subscribe yourself

If you are not already an HIT subscriber, you can also take advantage of this special gift offer. In

# .Call us toll-free in 🗕

BELGIUM: 0800 17538 SWITZERLAND: 155 57 57 FRANCE: 05-137-437 THE NETHERLANDS: 06-022-5158 GERMAND: 0130-848565 UNITED KINGDOM: 0800-89-5965

Please indicate which gift subscription term you prefer and fill in the recipient's name and complete address.  12 months (+ 32 free issues,   6 months (+ 26 free issues,   82 issues in all)  [82 issues in all.]
Li Please check here it you prefer to send the free Oxford Encyclopedias to the recipient.
the ipent's Name
Videa.

Austria	A Sele	6,000	3,300
Belgium	ВĒт	14,000	7,700
Dennyczk	Dhr	3,400	1,900
Finland	f M.	2,400	1,300
France	ſF	1,950	1,670
Germony	DΜ	700	285
Gross Britain	4	210	115
Grosco	2	75,000	41,000
Indiand	(M	230	125
Maly	lac	470,000	260,000
Luverrhourg	Lfi	14,000	7,790
Netherlands	fi	770	420
Norway	į i Xr	3,500	1,900
Portugal	the	47,000	26,000
<b>5рал</b>	Piles	48,000	26.500
- land des Madrid	Figs	55,000	27,500
S-reden (surrest)	i.Re	3,100	.,700
- hand delivery	Str	3,500	1.900
benippiland	Sir	610	335

Pleas of Europe Europe CEI

Control and Law America South Africa

addition to your subscription you will receive these Oxford the yelopedias — free. Just complete the compon below and send

(or fax) (see copy for each order. And leave the rest

# 41'STREE: 9860 8155 LUXEMBOURG: 0800 2703

lease indicate which gift subscription term you prefe	er and fill in the recipient's name and
sumplete address. [12 prouths 1+ 32 from justice.]	(82 is now in all.)
— any page in mice. — Please check here if you prefer to send the free Oxforts to send the Oxforts to send the free Oxforts to send the Oxfor	rd Facyclopedias to the recipient.
be ipeni's Name	3-1-95

Charlest Suppres 🚉 My check or money order is an losed tpayable to the International Herald Tribunet. Li Please charge my credit cards

Three Interior Lyres Forward Diners MasterCarl Disa Credit card changes will be made in Lemels Leans at current exchange rates. For husiness orders, please incheste your VAF number: (HTFVAI number: FR73732021126))

Return your completed compact to Subscription Manager, HFT, 181 Avenue Charlessle-Caulle, 92521 Senally Codes, Causer Fave 33.4 (6.37 06.51 - Feb. 33.4 (6.37 06.51). Herald Eribune

years) giber to the confidence of the subletiment Laures 31, 1995.

Paradoxically, the other mafor catalyst for immigrant

couraged migration.

the nature of the networks and gration organization. and lawbreakers at the same problem, said Erwin De Witte. Mr. Purcell, is that "migrant time makes things even more a liaison officer for Interpol, trafficking is growing despite which recently borrowed an ex-national and international law

BLD O'ARGENSON (PARS Stat)
On greenery, lenterious 120 tom,
2 bedrooms, double living, putting
Open wew. Fig.000/month net. LAM'
Tet. (1) 42 66 30 30.

**Embassy Service** 

YOUR REAL ESTATE

AGENT IN PARIS

Tel: (1) 47.20.30.05

BANCOR OF ASIA

companies
Firmshed offices and conference
reams for daily or monthly rental
Full confidence and discretion assure BUSINESS ADVISORY

**BUSINESS TRAVEL** 

**Full Service** 

is our Business

Maritaca, reseptionic, review union halecopier services Translation and searchanal services Formation, demicroation and adiaenstration of Swas and Foreign

International law and taxes Mailbax, telephone, telex and

let/Business Class Frequent Travellers Worldwide Up to 50% off. No cou-pers, no restrictors. Imperial Canada \$14.341.7707 Fox 514.341.7998 Extent #175@MESCAMOGILLCA

CAPITAL AVAILABLE **BLOCKED FUNDS** 

**DRAFTS** lawed in Year Name school by Coath to Shor Availability of Funds LOANS

ctional FINANCINGS AND CREDITS

FUNDS AVAILABLE FOR ALL BUSINESS PROJECTS OF AGAINST BANK GARANTEES OF OTHER ACCEPTABLE COLLATERAL INTERNATIONAL LEASING FOR FRANKTING OF PURCHASE OF HEAVY INDUSTRIAL EQUIPMENT

For any information Mussians M.LP.K.B. and Go. FINANCIAL INSTITUTION Brussels - BEGGUM Feet, 272334 02 77 8 327 536 47 91 TEUSY 20277

# FINANCIAL SERVICES

FUNDING PROBLEMS ? Venture Capital - Equity Loans Real Estate - Buoriess Financing - Long Term Collegend Supported Guarantess calcible guarantess to seave fundi-for viable projects arranged by:

Commission earned anly upon Funding Braker's Commission Assured. Fex (63-2) 810-9284 Tel: (63-2) 894-5358

SERVICES S.A.

7 Rue Mary, 1207 GENEVA
Tel 736 05 40, Tb 41 3272, Fav 786 06 44

Listury apartment, double living coon, large master bedroom, 2nd bedroom, + boths en sale, guest tolets, large equipped hidrent + dining mask, career vatory, terraces.

Private headed pool with jet sheam, 2 cellars. Frice respondible

Tat: 33-93 50 66 84 Fee: 33-93 50 45 52

AGENCE CHAMPS ELYSEES specialism furnished oparaments, esidential areas, 3 maritis and more. Tef: (1) 42 25 32 25 Fee: (1) 45 63 37 09

PARIS
74 CHAMPS BLYSES
"CLARDGE"
High class, ready to use frais
high exapped and furnished,
for Rent by the day, west or more.
Tel. 1-44.13.333 Fru 1-42.25 04.88

Handpotted quality aportments, off sees. Park and suburbs ful 1-4614 8211. Fax 1-4772 3096

# INTERNATIONAL CLASSIFIED

**BUSINESS SERVICES GENEVA** 

or 810-2570

FOR SALE MONACO MONTE CARLO PRINCIPALITY OF MONACO

INTERMEDIA BICLUSME SOLE AGBIT

REAL ESTATE TO RENT/SHARE PARIS AREA FURNISHED

Refried decurrent
Refried decurrent
Refried decurrent
Refried (August 1997)
Refried decurrent
Refried (August 1997)
Refried (August

CAPITALE . PARTNERS

7th, CHAMP DE MARS Splendid and relined 5 rooms with 60 vg.m. letroce, forang Eiffel Tower. 2 partengs. F35,000 Tel 1-45 53 70 18 UNITED IONGOOM: (combon Tel. 1071) 936 497)2 Fax. (071) 240 2754 Febr. 2620)4 11th NEAR BASTRIE, Couple ! poro-

**EMPLOYMENT** SECRETARIAL POSITIONS AVAILABLE (et. (1) 42 60 30 30.

RE SANT LOUIS - EXCEPTIONAL, imageficent coortinest, focus Sene, santy, quiet, booutiful critique furniture. Short/long term. Teb. 1-4266 6870

DYNAMIC, ORGANISED ASSISTANT: sought for Director of Boyden Global-Enguirve. Search. Wall-adscribed implainments with excellent presentation & Ruent French. Call Zearnes Schesteny; (25-1) 44 13 67 00 (Paris) ODEON, 37 sq.m. STUDIO, recione, charming, beams, bright, American latchen, shower room, Available now. F6,500, Tel: owner [1] 40 06 09 19 EDUCATIONAL POSITIONS AVAILABLE 15th, near 7th, over garden, frong & bedroom, equipped, newly redone, sur, quet, class, owner. F7,200. 1-456/0458 NGUSH SCHOOL seeks nowice mother tangue English teachers. Work permit obligationy, full-time basis. Please call Paris (1) 44 07 99 22. PARIS AREA UNFURNISHED

LEGAL SERVICES DIVORCE IN 1 DAY. No ironal White Box 377, Sedbury, NA 01776 USA Tel: 508/443-8387, Fox: 508/443-0183

LOW COST FLIGHTS

# EXCEPTIONAL, ILE DE LA CITE, wew on Be Soare Lous. 3rd Roor, lift, 2-room 30 sq.m. apartmers, with fitted latchemetre, shower room. FF6,350 res. Tet. 111 47 20 10 77 WORLD AVIATION SCHEDULED' RUGHTS 1st, business, economy of lowest fores, fel IFT floris (1) 47551313 Herald Eribune

PLANNING TO RUN A CLASSIFIED AD? Place your Ad quickly and easily, contact your nearest IHT office or representative with your text. You will be informed of the cast immediately, and

once payment is made your ad will appear 48 hours. All major Credit Cards Accepted UNITED STATES NEW YORK: Fd.: (212) 752-3890 For: (212) 755-8785 Fell Inc. (800) 572-7212. Tb: 427 175 FRANCE (HQt: Poris Tel (1) 46 37 93 85 Fox (1) 46 37 93 70 EPHANY, AUSTRA & CENTRAL EUROPE, Franklart 1d: 1069 72 67 55. Fx (049 72 73 10 Tel: 427 175 Tel: 13121 201-9393 For 13121 201-9398 Tel free (800) 535-6208, FLORDA: Cord Gobles Tel: 13051 662-5611, Fax. (305) 662-7103 LOS ANGELES. Tel: 12131 800 8376 SEI CARA & LUXEMBOURG: Boss Tel: 343,18,99, 343-1914 Fox: 346-0353 GREECE & CIPRLE: Albert, Tel: (30)14535744. Fox: 654 5513. Tel (213) 850 8339 for (213) 851 1 508 for (213) 851 1 508 fol free (800) 848 4739, RXAS: Houston, Tel free (713) 496 9603, Toll free (800) 526-7857. DENMARK: Copenbogan Tel.: 31 42 93 25 Tel. 255 (0 6074) 2 Fac 6121112 TIAY: Mileso, Tel: 98315738 Febr 983 20738 NED-ERANDS: Ameterdo Tel: 31.20.6841080, Fos: 31.20.6881374 NORMAY & SMEDEN: Begen Norway. CANADA Tel. (905) 833-6200 For (905) 833-2116 MEDDLE EAST. UNITED ARAB CARRATES: Shorida, Tel. (O.6) 351 133. For (Cel.) 3748388 Telex 68-84 TRACEF. Tel: (47) 55 91 3070 fax: (47) 55 91 3070 PORTUGAL Liston, Tel: 351-1-457 7793 For: 351-1-457 77352 ASIA/PACIFIC For 331-1-45/ 7-52 SMBN Model Tel: 250-259 For 3509757 SMITZERAND: 2-5, Tel: (021) 7-28-30-91 For (021) 7-28-30-91 HONG KONG.
Tel (852) 9222-1188
The 61120 HTML
For (852) 9722-1190
SNGAPORE
Tel (223 6478,
For 224 1566.
For 224 1566.
MARK TOOR

IAPAN: Tokyo Tel: 3201 02 No Te. 133673, Fz. 3201 0209

ASIA/PACIFIC

# Textile Accords **Draw Mixed** Reviews in India

Compiled by Our Staff From Dispatches table linen and napkins, have NEW DELHI — Indian offibeen freed from quota restriccials bailed new agreements tions, the Indian government with the United States and the said. It said this category ac-European Union on textiles counted for 20 percent of In-Monday, but an industry group dia's previous export quota. was less enthusiastic in its response to the accords.

The agreements, signed Saturday in Washington and Brussels, significantly increase or remove import quotas for Indian textiles, officials said.

But H. V. Lai Ringa, directorgeneral of the Apparel Export
Promotion Council, the counclasses aroun of exporters,

The council aroun of exporters, the council aroun of exporters, the council aroun of exporters, the council around of exporters around of exporters. described the agreement with Washington only as "fairly satisfactory." He had no comment the Uruguay Round world on the pact with the EU, saying he was awaiting details,

The agreement gives India a 20 percent increase in its export quota in the United States and grants phased-in access to the Indian market for Americanmade textiles and garments over the next few years.

America and the EU together buy more than two-thirds of India's textile exports.

For its part, India will ease its tariffs on certain goods in stages over three to seven years and remove all yarns and fibers from its restricted list of imports.

In the agreement with the United States, cotton madeups, which are items such as new year.

HAIPHONG, Vietnam -

A computer-generated draw-

ing of the planned Haiphong

Export Processing Zone shows

rows of factories, gleaming

glass office towers and huxuri-

ous houses on 300 hectares (720

Airport Budget

This port city has ambitions to

be the next Hong Kong.

acres) of reclaimed land.

To Increase

In Hong Kong
The Associated Press

HONG KONG - The

this month to approve an additional 2.4 billion Hong

Kong dollars (\$307 million)

for construction of the ter-

ritory's new airport, an of-

Hamish Macleod said the

money would be used to

build government facilities

at the airport, now under

construction on Chek Lap

The government so far has received 90 percent of the funds needed for the

\$20.3 billion project and has awarded 102 contracts

worth more than \$8.3 bil-

61.30 68.30 34.90 84.50 111.50 111 52.50 53.70

**WORLD STOCK MARKETS** 

Frankturt

2520 2515 4320 4310

Finance Secretary Sir

ficial said Monday.

Kok island.

Amsterdam

stative Council later

Quotas were also increased for Indian towels, yarns, fabrics and cotton handloom garments. The accord with the EU re-

moves restraints on India's exports of handloom and cottage-

for developed countries under trade agreement "does not materialize in full" or is delayed.

Textiles account for more than a quarter of India's exports, which in the last fiscal year amounted to nearly \$22 billion. The agreements followed India's move to amend its protectionist Patents Act, which now permit multinational corporations to apply for patents on products in the agricultural, chemical and

Previous Indian law only allowed for patents on processes in those sectors. India was required to change the laws on joining the World Trade Organization, which began operating with the

projects at the center of Viet-

nam's plans to attract foreign

investment by developing ex-

port processing zones - manu-

facturing areas where imports

But so far only a fence has

the largest foreign investment to date in Cambo-dia. A total of \$2 billion in investments in Cam-

bodia has been approved since the country adopted a new investment law in August.

neur Chen Lip Keong, said the project was intended to serve as a catalyst for other Malay-

sian companies to invest in Cambodia.

Ariston, controlled by the Malaysian entrepre-

"Ariston shall be a trailblazer for Malaysian

corporations," Mr. Chen said after the signing in

Kuala Lumpur, witnessed by Cambodia's co-

prime ministers, Prince Norodom Ranariddh

and Hun Sen, and by Prime Minister Mahathir bin Mohamad of Malaysia.

Ariston is part of the private Lipkland group of companies owned by Mr. Chen, who is also president and chief executive of two Malaysian listed firms, FACB Bhd. and Kanzen Bhd. Lipk-

land group also owns Cambodia's only private college and the Cambodian Times newspaper.

been built at the Haiphong site,

and exports are tax-free.

pharmaceutical sectors.

# Tokyo Toasts the New Year **Growing Economy Keeps Stocks Hot**

TOKYO — After finishing 1994 with the best showing of any of the world's major stock markets. Tokyo is still the place to be in 1995, many analysts here said.

"I am still very bullish," said Olivier Gayno, chief portfolio manager at Gamma Asset Management, which manages about 10 billion yen (\$100 million) in Japanese stocks. "The economic recovery is stronger than most people expected."

The Nikkei Stock Average of 225 shares rose 13 percent. In dollar terms, it was up 27 percent.

The Dow Jones industrial average, by comparison, rose just 2 percent. In London, the Financial Times-Stock Exchange 100 index feli 10 percent.

Some analysts said the Nikkei could climb 25 percent this year as corporate earnings rise to their highest levels in five years. To make the most of the rise, they said, remember the three C's: cyclicals, consumption and computerization.

In other words, analysts recommend stocks that will benefit from economic recovery. rising consumer spending and the drive by companies and individuals to invest in up-todate technology.

High on analysts' shopping list for 1995: steel stocks such as Nippon Steel Corp.; automotive issues such as Honda Motor Co.; machinery stocks; computer makers such as NEC Corp.; and discount retailers.

Those who still doubted whether Japan's economy was back on track were given proof last week in the form of November economic figures. Industrial production rose 2.7 percent in November from October, ending two months of declines. The unemployment rate fell to 2.9 percent after hovering at 3.0 percent for four months, and sales at large retailers rose for the first time since July.

The site is one of six such years and \$1 billion to complete. was quoted in a Vietnamese build the power plants, water

may not be enough to draw in- suitable locations and the high

scheduled to take three years to complete.

tels, Mr. Chen said.

Slock Exchange | Province : 261.71

Tourism projects would include golf courses,

cable-car link between Sihanoukville, formerly

known as Kompong Som, and nearby Naga

Island, an ecology theme park, a water theme

park, a marina-and-yacht club and several ho-

Mr. Chen said the entire project was expected to be completed in 10 to 15 years. He said his

company would welcome additional Malaysian

number of Malaysian companies on the possibil-

ity of setting up joint ventures in various phases of the project. "Some of these companies have

He said Malaysia Airport Bhd. was a "poten-

1835 1856 36450 36500 4740 4760 22900 23050

MIB Telemptico: Previous : 10154

To Our Readers

Sao Paulo stock

prices were not

available for this

edition because of

technical problems

**Stockholm** 

at the source.

tial candidate" to manage the Sihanoukville air-

expressed very keen interest," he said.

Mr. Chen said Ariston had held talks with a

newspaper as saying that most

not work "because of their un-

Despite Haipbong's advan-

cost of infrastructure,"

Vietnamese export zones would cial to its success.

Vietnamese Export Zones: Add Water and Wait

Promoters of the Haiphong

export zone are finding that tax

breaks and licensing shortcuts

vestors until Vietnam straight-

ens out an infrastructure that

has developed little in a century.

Tourism Project Set for Cambodia

KUALA LUMPUR — Ariston Sdn., a private tender last month for the project in Sihanouk-

Malaysian company, signed an agreement Mon-ville in southern Cambodia.
day to carry out a \$1 billion tourism and infraMr. Chen said the project would start by

structure project in Sihanoukville, Cambodia.

The agreement to upgrade the city's power and

Cambodia's second international airport and

water supplies, highways, and airport constitutes building a hotel-and-casino resort. That work is

Helsinki

To Our Readers

Johannesburg stock prices were not available for this

edition because of technical problems.

Madrid

Arthur Kavanagh, a United

and one of the developers estiNations Industrial Developexport, zone suffers from a provide mates the project could take 15 ment Organization specialist, shortage of capital needed to tricity.

"After four years of pretty tough times, any increase in sales will lead to a pretty good pop in earnings," said Kenneth Courtis, senior economist at Deutsche Bank Capital Markets (Asia) Ltd. "Once people start to understand that there is real growth, the Nikkei will challenge the 22,000 level."

Even the most optimistic analysts recognize that their prognosis was not certain. If the yen were to rise as much as it did in 1994 —reducing the dollar's value to 96.6 yen from the current level of just below 100 — all bets would be off. A strong yen makes Japanese goods relatively expensive overseas, meaning that hig exporters would be priced out of markets they depend on for revenue.

Many analysts said the market was still riddled with fundamental problems. The most striking one is the fact that the average price/earnings ratio for Japanese stocks is about 70, while in the United States, anything higher than 20 raises eyebrows.

But signs of economic strength will become too good to ignore this year, bullish investors say, and will drag even reluctant Japanese investors back into the market.

Analysts tell investors to look for the companies that have aggressively cut costs and have shares of their markets and few competitors. "You have to make sure they keep cutting costs to stay competitive," said Chisato Haganuma. a strategist at Nomura Research Institute.

The weak economy was a good excuse to cut, but in Japan, it will become more difficult once the economy starts improving," he added.

"The driving force of the recovery will be consumption," said Jim Vestal, chief economist at Barclays de Zoete Wedd Securities (Japan) Ltd. "Inflation is clearly not a problem, and that is going to boost consumer

-a good location, a port, Haiphong project. "But we are

and plentiful cheap labor - the now finding out we will have to

export, zone suffers from a provide our own water and elec-

works and transport links cru-

they would do it all," said Dan

Duc Hiep, vice chairman of the

company that is developing the

■ Foreign Investment Up

Foreign companies pledged a

record \$3.7 billion to projects in

Vietnam during 1994, taking to-

tal foreign investment pledged since 1988 to \$10.9 billion, Reu-

ters reported Monday.
Victnam's gross domestic

product grew 8.8 percent in

1994, to 170 trillion dong (\$15.4

cent in 1993, according to offi-

cial figures.

structure projects.

"At first the government said

# China Rates Increase To Cool **Spending**

BEIJING - China has raised interest rates on loans for capital investment, the People's Daily reported Monday, saying spending on fixed assets soared in 1994 despite a credit squeeze.

While the official newspaper hailed achievements in infrastructure growth in 1994, the government outlined measures to limit spending. A surfeit of investment in China has been causing shortages of construc-tion materials. Such shortages have led to price rises.

The central bank raised its lending rates to banks and com-panies by an average of 0.24 percentage point effective Sunday to try to control inflation, which is now over 21 percent. Rates on loans for fixed-asset investment rose by an average of 0.72 percentage points.

After the move, three-year interest rates on loans for technical renovations rose to 11.7 percent from 10.98 percent, while rates on loans for capital-construction projects rose to 12.96 percent from 12.24 percent, the newspaper said.

Investment in fixed assets totaled 1.6 trillion yuan (\$189 billion) in 1994, up 28.5 percent compared with 1993.

Investment in what the official newspaper called "pillar" industries and infrastructure soared by 50 percent.

China laid 23 percent more railroad track in 1994 than it did in 1993. The country completed eight new airports and 53 new power-generating units.

### **■** Joint-Venture Scrutiny

China is to step up auditing in 1995 of Chinese-foreign joint ventures in which the govern-ment has a stake, the Xinhua news agency said Monday.

Auditors will focus on resolving disputes arising from for-Zhenqian, auditor-general of the Auditing Administration.

Chinese media have accused foreign partners of some joint ventures of overstating the value of imported equipment.

### **Markets Closed**

Most financial markets in The government said it Asia, Europe and the Americas would hand out contracts in were closed Monday for the New Year. They will reopen 1995 for roads and other infra-

# TO OUR READERS IN HOLLAND

It's never been easier to subscribe and save Just call today 02503-24024

### **EDUCATION DIRECTORY**

FRANCE

■ The most renowned school for French 📺 INSTITUT DE FRANÇAIS

n INTENSIVE COMPLETE IMMERSION course on the Riviera
8 hrs per day with 2 meals
For adults. 8 levels: Beginners I to Advanced II
Next 2-4 week course starts Jan. 9, Feb. 6 and all year.
108230 Villefranche/Mer A., France. Rt 93 01 88 44 Fax 93 78 82 17

(504) 624-2977

in the second of the second of

 B.S. & M.B.A. in Business
 B.S. in Environmental State · N.S. in Environ Management • Approved for Eutlion esement by major c

### Investor's Asia Singapore Hong Kong. Nikkei 225 200 11/1 10900 VVM 839 18000'A S O'N D J 1994 1955 A SOND J A S ON D J 1994 7998 Prev. Exchange Monday Class % Chang Hong Kong Closed 8,191.04 Singapore Straits Times 2:239.56 Sydney All Ordinaries 1,912.70 Tokyo Nikkei 225 Closed. 19,723.06 Closed Kuala Lumpur Composite 971.21 Bangkok Closed 1,360.09 . . Seout : Composite Stock Closed 7,124.66 Manila 2,785.81 +0.45 +0.11

### Very briefly:

NZSE-40

National Index

• Levi Strauss & Co. established a wholly owned affiliate in Bangalore to market jeans and other clothing in India.

 Pakistan opened its market to foreign life insurance companies and cleared an application by Commercial Union Assurance Co. of Britain to begin operating in the country.

• NEC Corp. will put a personal computer on the market this month priced at around 100,000 yen (\$1,000), to try to compete with other companies' IBM-compatible computers, the Nihon Keizai newspaper said.

 Mission Energy Corp. and Texaco Inc. are negotiating with state-run National Power Corp. in the Philippines to build a 300megawatt power plant south of Manila.

• Siemens AG said it planned 30 new joint ventures in China, where the German electrical and industrial concern now has 20.

# **China Warns on Futures**

Monday it would clamp down cent of total volume. on speculation in its booming government bond-futures mar- Finance Ministry's state-debt ket, with a finance official telling the China Daily that "healthy development" of the fiield depended on "improved risk-control management.

or the export of goods, said Guo switched from stocks, disenchanted by an excess of new issues, poor management and tracts should be required to respeculation. Enthusiasm port their transactions and peaked on Nov. 22, when bond intentions, to guard against

Stock Exchange hit 66 billion BELIING - China indicated yuan (\$7.76 billion), or 99 per-But Gao Jin, director of the

lems, with some exchanges opening without regulatory apeign partners' capitalizing on Trading in bond futures took proval and others waiving secuthe introduction of equipment off in 1994 as investors rity guarantees to lure investors.

He also said companies holding large numbers of bond confutures trading on the Shanghai market manipulation.

# Herald Tribune-

LIVING IN THE U.S.? NOW PRINTED IN **NEW YORK** 

FOR SAME DAY **DELIVERY IN KEY CITIES** TO SUBSCRIBE, CALL

1-800-882 2884 (IN NEW YORK, CALL 212-752-3890)

# CURRENCY AND CAPITAL MARKET SERVICES:

<u>Mathas & Company</u>

Capital Flow Asset Manager \$32,817.04 NET REALIZED PROFITS PER STOROGO LINDER MANAGEMENT JUNE 27, 1994 THROUGH OCTOBER 31, 1994

Keystone

Everyday Offer To Professional Traders 800-967-4879

All Februar & Options Round Rest + Fees

SECURITIES AND FUTURES LIMITED 数据 Tel: (44) 171 417 9700 Faz (44) 171 417 9705 For furtber details

on bow to place your listing contact: WILL NICHOLSON in London Tel.: (44) 71 836 48 02 Fax: (44) 71 240 2254 Herald Eribune

312-207-0117

lo call, just dial the Access Number for the country you're visiting, and you'll reach an Eng ACCESS NUMBERS ACCESS NUMBERS COUNTRIES ACCESS NUMBERS COUNTRIES ACCESS NUMBERS COUNTRIES COUNTRIES ACCESS NUMBERS COUNTRIES 0080-14-087 Cypros ✓ ■ 001-999-13-877 177-102-2727 0042-087-187 00-800-1-4477 Antiqua (per phone) Argentina Armenia Anticilio (Optos) + Angholia (Tekto) + 172-1577 THIS IS YOUR RETURN TICKET. 1-800-366-4663 900-1-0977 U.S. Virgin Islan -800-877-8000 -800-877-9000 Peru 🗸 1-800-751-7877 1-800-677-8000 USA ~ 0066-55-877 **2-10-15**5 102-611 356-4777 Bayal (Cabe) + 105-16 800-131 1-200-221-277 Egypt (ull other) + 02-356-4777 0600-99-087 00104-800-115 United Kingdom (FT) 022-903-014 05017-1-877 United Kingdon Korna (KT) 🕈 🗣 1-800-389-2111 Fill bilands 1-800-877-8000 172-1877 Bahameri Betretin Berhades & Belgium + Bernude / Belgium + Bernud British Virgin isi Belgaris & Consula ~ Chila 800-777 9800-1-0284 19**0**0087 800-777 01-800-0577 a **♦ 197** 0800-10014 0130-0013 0800-0115 B095-155-6133 1-800-623-0877 0600-121 0800-3333 950-1366 Sprint. 1-235-0333 172-1877 95-800-877-8000 1-800-877-8000 1940087 1800-15 200-1577 Q6 **4 022-9**1 19 8000-177-177 1-800-877-8000 To order a free FONCARD 0000317 004500-01-877 900-99-0013 001-800-745-7771 CALL COLLECT TO THE U.S. 999-003 020-799-011 000-137 402-390-9083 155-9777 of the country you're in or 1-800-PIN-DROP while in the U.S. Bold denotes country-to-country coding.

A wallable at nost phones. A Not available from pay phones. ~ FONCARD billing. Collect call U.S.

Also available from dedicated phones in major at poorts and hotels. ©1994 Sprint change For additional Calling rate: apply: 

Available only from

ď . 4 . 5 5 . . 2 .

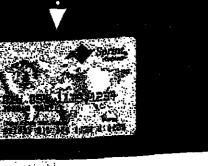
#### | 15 mm | 10 mm | 

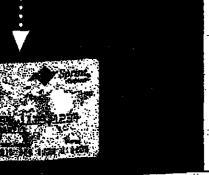
5 , Fair

EOE ladez : 417.19 Previous : 414.47









# **SPORTS**



Isabelle Autissier in Australia on Monday with the helicopter pilot who rescued ber.

# 'I Am Here Because of You'

# 'Grateful' Autissier Now Hopes to Save Boat

DNEY — The French saiior Isabelle Autissier said Monday that she was "very srateful" to the Australian Na. y personnel who had rescued her after she spent more than four days stranded in her stricken yacht in the southern Indian Ocean.

Autissier, 38, who was competing in the BOC Round the World race, was rescued Sunday 750 nautical miles southwest of Adelaide, Aus-

She was lifted off by winch from her 18-meter (60-foot) yacht, the Ecureuil Poitou Charentes II, by the crew of a Seahawk belicopter and then ransferred to the deck of the Australian frigate Darwin.

"I am here because of you and I will never forget that," she to'd the Seahawk crew after arriving at the Royal Australian Air Force Edinburgh base, north of Ade-

She said she had never lost confidence in either her Loat's buoyancy or the success of the search for her.

DENNIS THE MENACE

Autissier activated emergency beacons after her yacht was rolled by a huge wave during a violent storm on Wednesday, which destroyed her steering system, damaged bulkheads and punched a

"I was very confident," she said Monday. "These boats have four waterproof compartments and two of them were out of water so the boat could float."

huge hole in the deck.

"Then also I was very confident with the rescue system." she added. "I had never used it before, but I have seen it working for other people. It is an incredible organization. But her boat remained at

sea, and she said she would like nothing better than to save it. "This boat represents three

years of my life," she said. "We are very close, one to the

A deep sea trawler, the Petuna Explorer, left Hobart on Sunday in an attempt to salvage the 1 million Australian dollar (\$780,000) ocean racer. John Petersen, the trawler's

**PEANUTS** 

YOU'RE SURE SHE'S A

SUBSTITUTE TEACHER, MARCIE

skipper, told Australian Broadcasting Corporation radio that he was confident the yacht could be salvaged.

Autissier said she would remain in Australia awaiting the results of the search.

"I would like to do the third leg of the BOC if you can get the boat for me," she

Autissier, who won the South Carolina-to-Cape Town leg of the race, earlier had been forced to erect a jury rig when she was dismasted early in the Cape Town-to-Sydney leg of the race. At the time, she was leading the race.

She managed to make her way to the French Kerguelen Islands in the southern Indi an Ocean and installed a makeshift mast, losing about

Christophe Auguin of France, the defending champion, won the second leg of the race when he arrived in Sydney 11 days ago. Nine other competitors have since completed the leg.

OUR REGULAR

TALLER AND

WEARS GLASSES

TEACHER IS

(AP, Reuters)

# Skiing on the New Information Superslopes

By Barbara Lloyd New York Times Service

NEW YORK — A picture may be worth a thousand words, but owners of ski areas are finding that a computer network may be more valuable yet. It is a vast new outlet for ski areas that in the past have relied on brochures and advertisements to enrich their businesses.

It is called Internet, a public information highway connected by telephone to 32 million computers worldwide. For the ski industry, that means boundless ways of selling itself. But for the skier, it means an easy way to get information to look at a trail map, arrange for a lesson, check out a lodge, rent equip-ment or learn new techniques from an

Early last month, Sugarloat/USA in Carrabasset, Maine, became the first ski area in the eastern United States to set up its own multimedia electronic site on the Internet. A sophisticated display of text, graphics and sound includes a 50page information package. Next week.
video will be on line too. A snow condition report is updated four times daily. And computer browsers can ask questions by electronic mail.

Aspen Skiing Co. in Colorado set up a similar multimedia site for its resorts this season. Other ski areas appear on the Internet, but mostly with limited tion. They tend to appear collectively by states, like sections titled "Ski New York" and "Ski Colorado."

"The ski industry needs to get into this marketplace because destination travel is going to be competitive," said Bill Joy, vice president for research of Sun Microsystems. "The demographics of people on the net is an age group that is still skiing."

Joy, whose office is in Aspen, Colora-do, has been instrumental in setting up the Internet site in that area. Besides the ski resort, it also focuses on Aspen as a

Bob Middleton, network manager for Aspen Skiing, said that Aspen is setting up computer kiosks, or outdoor stands, at the Aspen resorts so that skiers can have access to the on-line information on the spot. Sugarloaf has embellished its Internet

site with a photo gallery. An Internet viewer can call up landscapes of Sugarloaf that show the ski area's terrain. Each picture is previewed in a small, thumbnail box that indicates how much computer memory is needed to expand the photo to screen size.

Tom Patterson, a spokesman for Sug-arloaf, said recently that within the first three weeks of appearing as a way station on the Internet, the ski resort logged

its first week. In computer jargon, that computer screen will show an exterior means being noticed by thousands of picture of the inn, and then, an interior Internet surfers - people who browse photo of a typical room.

through the computer network looking for topics of interest.

For the skier, Infonet means an easy way to look at a trail map, arrange for a lesson, check out a lodge, rent equipment or learn new techniques from an expert.

haven't been back East for two years, and I haven't been up at the 'Loaf' in about four, so I miss the place. This web page brings back lots of great memories of my youth spent grinding my knees to hamburger on Winter's Way.'

Other browsers left messages asking Sugarloaf for more information and for the ability to make reservations. The resort is working on that. Skiers will be able to call up a list of lodges, then select

Aspen recorded about 10,000 hits in one they would like to see. With that, the

For skiers who want to know ahead of or topics of interest.

One of the Sugarloaf viewers left this

time what a particular slope looks like,
there will be short, on-line video clips message: "Wow, this is too cool for showing, for example, a skier schussing words. I'm living here in Guam. I down a particular black-diamond trail. words. I'm living here in Guam. I Sugarloaf also plans to enlist Julie Paul-Sugarloat also plans to enlist rule Pati-sien, a two-time Olympian, to demon-strate skiing techniques through 10-sec-ond video clips. S-K-I Ltd., the company that operates

Sugarloaf, plans to place its other resorts on Internet this winter, including Killington, Vermont; Mount Snow/Haystack, Vermont; Bear Mountain, California, and Waterville Valley, New

Others in the ski industry also are arranging for network interaction. Snow Country, for example, the national ski magazine, plans to go on-line next summer on Unet, a new service for participatory sports. It will be accessed through its own subscriber service, or on a gateway through the Internet.

Besides on-line services, information on ski areas is also available through software companies that market CD-ROM multimedia packages. The CD-ROMs connect to a computer, but don't require a telephone connection to the

# Talks in NHL Dispute Are On Again

INDIVIDUAL STATISTICS

Thompson 4-16, K. Turner 1-4, Bladson 2-2, Clevelond, Hoord 17-66, Byner 10-30, Testu-erde 5-19, Metcolf 2-10.

PASSING—New England, Biedhoe 21-50-3-225, O'Neil) 1-1-0-21. Cleveland, Testoverde 20-

RECEIVING—New Fredond, Bristy ARL

Codes 6-79, Thompson 4-X3, Timpson 2-29, C.Brown 1-21, Burke 1-8, K.Turner 1-7, Croom 1-5 Cleveland, Jackson 7-122, Alexander 5-69, Haritter 2-17, Byner 2-16, Carrier 2-13, Hoard 1-

MISSED FIELD GOALS-CH

CHICAGO - The National Hockey League and its players union continued low-level talks Monday in hopes of resolving their differences as a Jan. 16 deadline for starting the season neared. On Sunday, the NHL vice president, Brian Burke, and legal counsel, Jeffrey Pash, met with the players association lawyers John McCambridge and Bob Riley for four hours in talks aimed at ending the three-month lockout. It was the first meeting between the sides since Dec. 17

and came on the 93d day of the lockout. "Now it's our two lawyers and their two law-yers, and it's time to fish or cut bait," the Toron-to Maple Leafs president, Cliff Fletcher, told The Canadian Press. "My understanding is that they'll be meeting until a deal is done or they decide a deal can't be done."

Hanging over the discussions on a new collective bargaining agreement was the Jan. 16 date set by the NHL commissioner, Gary Bettman, as the latest start of a shortened, 50-game season. An estimated 8-10 days would be needed to

necessary if player concessions do not accomplish the NHL goal of restraining rising salaries.

The NHL's proposal calls for a gate receipt tax to accompany the payroll tax, with the proceeds from the gate tariff going to small-market teams to help them compete.

Paul Weiler, a labor expert at Harvard Law School, says NHL owners would have been better off devising a meaningful revenue-sharing formula to solve their economic woes rather than trying to cap players' salaries with a probibitive tax.

He contends that the NHL suffers from separate problems - revenue disparity between small and large markets and rising salaries that consume an unduly high share of total league revenue.

He said there were big differences in revenue streams for large market teams such as Montreal, Toronto and the New York Rangers compared with Hartford, Quebec and Winnipeg. "A side benefit of having owners, rather than

players, pay for revenue sharing is that owners would then have a powerful incentive to devise a A payroll tax, which players say is a salary cap enhance the quality and marketability of the in disguise, threatens the talks. Players say they enhance the quality and marketability of the entire league." Weiler wrote in a recent paper, will never accept a tax, which owners feel is "One Prescription for our Sports Disease."

### SIDELINES

### Steelers Aide Linked to Panthers Job

PITTSBURGH (AP) - The Pittsburgh Steelers defensive coordinator, Dom Capers, has agreed to become head coach of the National Football League' expansion Carolina Panthers, the Pittsburgh Post-Gazette reported Monday.

The move would not become official until the Steelers' season ends. The Steelers, champions of the AFC Central, meet Cleveland in a playoff game Saturday.

Capers, 44, met with Panthers officials in Pittsburgh last week, the Post-Gazette said. The officials then met with Rich Kotite, who was fired as head coach of the Philadelphia Eagles last week. Spokesmen for the Panthers and Steelers declined to comment on

### Ivanisevic May Miss Australian Open

PERTH, Australia (AP) - Goran Ivanisevic of Croatia could miss the Australian Open later this month after suffering a knee injury during an exhibition match, officials said Monday.

Ivanisevic hobbled from the court with pain in his right knee after playing only three games of a tennis exhibition against Mark Petchey of Britain on Sunday night. The Australian Open starts Jan. 16 in Melbourne. Ivanisevic played the exhibition match at the Burswood Dome after a suspension ruled him out of competing in the Hopman Cup team event.

Ivanisevic had been paired with Iva Majoli on the Croatian team for the Hopman Cup, but was suspended in November after exceeding the ATP Tour's limit of fines for the year.

INDIVIDUAL STATISTICS ING—Chicago, Ro.Harris 13-67. Till-19. S.Weish 5-5, J.Graham 1-3. Minne-

Conway 456, Ra.Horris 1-26, T.Corter 1-16, Jernings 1-9, Tillman 1-7, Green 1-5, Minneso-ta, Use 11-159, C.Corter 8-61, A. Jordan 4-35.

DC GUR

MISSED FIELD GOALS-None

S Weelsh 15-23-1-221

### SCOREBOARD

NFL Playoff Summaries

Third Quarter
Cle—Hogrd 18 run (Slaver kick), 12:39.

Cle-FG Stover 30, 7:20.







3-65 2-19 15-23-1 1-7 3-39 1-1









JUMBLE	THAT SCRANGLED WO	No exe
A C WAS IN THE		
une letter to each square, to busy four ordinary words.	That Bobbs	1:4
POAZT	shade habed	<b>የ</b> ጎኝ
للابين		у//ч
OTTO State S		
CLIUD	[[改]] [[]	
		À 📐
VOONCY		// 2
	HOW THE PAINTER MADE	ΉE
KHENAS	ROOM WARM	₽?. 
	Non-strongs the carded form the turprise artises	. 25 200
. 40712	grand by the above con-	ian.
Asset: WITH		LL.
	IGLOC CUDGEL (	uniono Viiven

Angere: How the approvate described their poets — OUT OF THIS WORK,D

To our readers in France it's never been eculer to subscribe <u>toll free</u> service. Just call us today at 05 437 437













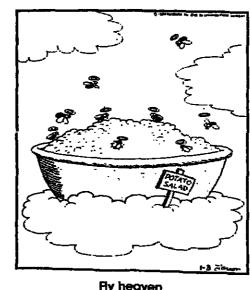








THE FAR SIDE





# **SPORTS**

# Behind Frazier, Nebraska Sinks Miami and Stakes Championship Claim

# USC Tramples Texas Tech To Set Cotton Bowl Record

Rob Johnson threw three of his four touchdowns to Keyshawn Johnson as Southern California rolled to a recordsetting 55-14 rout of Texas Tech on Monday in the Cotton Bowl

breaking the mark of 46 scored by Miami against Texas in

 Johnson completed 16-of-21 passes for 289 yards and four touchdowns as USC raised its record to 8-3-1. Texas Tech fell

Johnson, who surpassed Rodney Peete as USC's all-time passing leader, tied a Cotton Bowl mark with his four touchdowns tosses and finished just three yards shy of the record for yards passing set by Kevin Murray of Texas A&M against Auburn in 1986.

Keyshawn Johnson had eight receptions for a Cotton Bowl record 222 yards and three touchdowns, covering 12, 22 and 86 yards.

USC set the tone early, put-ting up 34 points in the first half, including 28 points in the first quarter. Texas Tech gained 52 yards in the first half against 334 for the Trojans.

The Red Raiders became the latest Southwest Conference representative to lose in the Cotton Bowl.

The Southwest Conference team has lost the last seven Cot-35-10 victory over Notre Dame State, 28-24, in the Peach Bowl. on Jan. 1, 1988, being the last win by a member school.

The game marked the end of a 55-year marriage between the Cotton Bowl and the Southwest Conference. Next year, the Cotton Bowl will align itself with the Western Athletic Confer■ Wisconsin Defeats Duke

Terrell Fletcher rushed for 241 yards on 39 carries and scored two touchdowns to lead Wisconsin to a 34-20 victory over Duke in the Hall of Fame Bowl in Tampa, Florida.

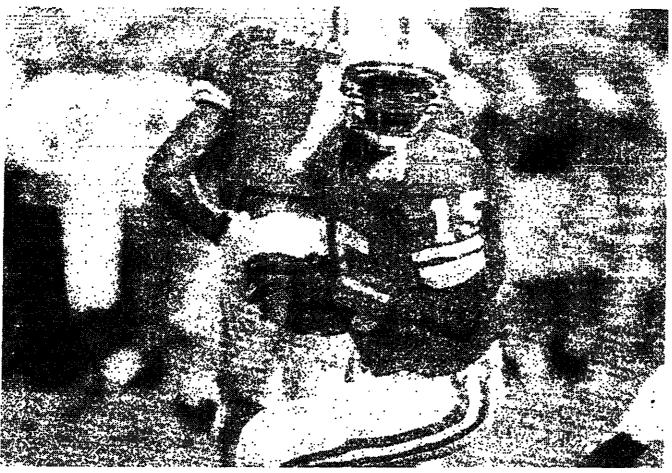
It was the first-ever meeting Cotton Bowl scoring record, the schools and marked only the second bowl appearance in the second bowl appearance in 34 years for Duke, which finished the season 8-4. The Badgers of Wisconsin

ended the season with a 7-4-1 Fletcher, who had his role

increased since the tailback Brent Moss was dismissed from the team in November, scored on a one-yard run in the third quarter to snap a 13-13 tie and broke off a 49-yard touchdown run with 1:31 remaining in the fourth quarter to seal the vic-

Fletcher, Wisconsin's alltime leader in all-purpose yard-age, had rushed for 357 yards in the Badgers' last two games.

Duke quarterback Spence Fischer was intercepted four times, including three times in the first quarter when Wisconsin grabbed a 13-0 lead.



Tommie Frazier led a fourth-quarter comeback that gave No. 1 Nebraska a 24-17 Orange Bowl victory over Miami.

# North Carolina State Rallies to Win the Peach Bowl

ATLANTA — Terry Harvey passed for one touchdown and set up another just over three minutes later with a 62-yard completion as No. 23 North Caroton Bowls, with Texas A&M's lina State rallied to beat Mississippi

Harvey connected with Dallas Dickerson on a 3-yard scoring pass with 1:12 left in the third quarter on Sunday and then ran for a 2-point conversion that

tied the game at 21.

After State failed to get a first down,
Harvey took the Wolfpack (9-3) 80 yards
in four plays, with Carlos King getting
the final 11 yards with 13:06 to play.

Mississippi State (8-4) reached the Wolfpack 28 in the closing minutes, but couldn't overcome a 15-yard face-mask

### **■ Other Bowl Games**

ROSE: Joe Paterno now has another reason for backing a postseason playoff. Since the mid-1960s, when polls began to be released after the bowl games. only three teams have finished with a perfect record, won a major postseason bowl game and not earned at least a portion of the national championship. All three teams have been Paternocoached Penn State clubs - and it could

happen a fourth time if the No. 2 Nittany Lions beat underdog Oregon on Monday in the Rose Bowl.

No. I Nebraska's victory over Miami in the Orange Bowl practically closed the door on any chance Penn State had at a national championship when the polls are released Tuesday.

"I've said it a thousand times, let's decide it on the field," Paterno said. But Paterno knew that a victory over the 12th-ranked Ducks on Monday could give him his 16th bowl victory. pushing him past the late Paul (Bear)

books. It also would make him the first

Rose, Cotton, Orange and Sugar.

CITRUS: Of the lesser games, this bowl in Orlando, Florida, has the best lineup and the most storied teams. Combining the histories of Alabama (11-1) and Ohio State (9-3), there are 1,370 mes, 72 bowl games and nine national

coach to win the four major bowl games:

This game has meaning for Alabama's seniors. They have a 44-5-1 record, including the 1992 national title. With one more victory, they would set a school record for the most victories by one Bryant and into first place in the record

# QB Rallies Cornhuskers To Orange Bowl Triumph

By Ken Denlinger

MIAMI — In a storybook ending to a special season, quarterback Tommie Frazier led a fourth-quarter comeback that gave top-ranked Nebraska a 24-17 victory over No. 3 Miami in the Orange Bowl.

The victory Sunday night was Nebraska's first in its past eight bowls and almost surely assured Tom Osborne of his first national championship in 22

play No. 12 Oregon on Monday in the Rose Bowl.

Nebraska scored the last 17 points and fullback Cory Schle-singer accounted for the final two Cornhusker touchdowns. including the winner on a 14yard run with 2:46 left.

But the spark on the game-er Dane Prewitt's head. With winning, 58-yard drive came the ball on the ground at his 10, from Frazier, who missed the Prewitt sent it through the end last eight regular season games with blood clots behind his right knee and was an uncertain starter until last week.

Cornhuskers a first down at the 14. With Miami concerned Earl Little in the end zone. about Frazier, Schlesinger rumbled up the middle for the win-

Only a junior, Frazier achieved most of his goals in his third Orange Bowl start. Even though he was just 3-for-5 passing and carried the ball only seven times for 31 yards, he was named the game's most valu-

"When I signed here," he said, "that was one of the things

15. The next series was ruined

when Chris Hinton was called

for holding. And what should

have been a converted third-

down play the next series

turned into an interception for

er when Ismail had a perfect

The Bears were more oppor-

a 52-yard completion to Gra-

ham, and Keith Jennings's

nine-yard catch made it 14-3.

Harris broke three Minnesota

tackles en route to a 29-yard

pass sail off his palms.

tional championship. Everyone was so excited you couldn't hear yourself. People hugging. People crying. One of those moments you savor for a lifetime."

Frazier started and then gave way to Brook Berringer on the third series. That was expected.

What was not necessarily certain was Frazier getting back in, because Berringer played well. After he threw an interception on first and goal from the 4 early in the fourth quarter, how-

Nebraska ended the season 13-0 and with a victory over a Miami team (10-2) ranked third and having won 62 of its previation of 63 sames in their home staryond midfield on the drive before Nebraska's game-winner, but quarterback Frank Costa's pass sailed long.

The late drama began mid-way through the fourth quarter when Miami snapper Jeffrey Taylor hiked the ball over punt-er Dane Prewitt's head. With the ball on the ground at his 10 zone with a left-footed swipe for what the Cornhuskers thought was a safety.

But the Hurricanes were Twice Frazier kept the ball called for an illegal kick and on option plays. The first time he gained 21 yards. On the second, he gained six to earn the down, Berringer's rollout pass was intercepted by Miami's That brought Frazier back

into the game — and on his second possession he directed a two-play, 40-yard drive that ended with Schlesinger power-ing in from the 15. Frazier then hit tight end Eric Alford in the middle of the end zone for the two-point conversion that tied the game at 17-17 with 7:38 left.

As expected, Nebraska moved its all-American right guard, Brenden Stai, to left guard to counter Miami's de-fensive stalwart, tackle Warren Sapp. The move worked beautifully on the game's first play, when I-back Lawrence Phillips gained five yards up the middle. However, nothing much else

went right for the Cornhuskers the rest of the first quarter and the Costa-led Hurricanes gained a 10-0 lead. Frazier threw three passes on

the first two Nebraska possespushed Minnesota back to the sions and they ran the gamut a four-yard completion, a medium throw that had no chance of being complete and a heave that was intercepted. That interception, by Carlos

Jones, started a 97-yard drive that put Miami up 10-0.

Chicago linebacker Barry Mint-The Hurricanes could have been ahead by more, but a 15yard penalty for offensive pass interference cost them a first tunistic and took advantage of down inside the Nebraska 10 on had coverages and sloppy tack-ling by the Vikings. Walsh set their first possession and they had to settle for Prewitt's 44up the second touchdown with yard field goal.

Frazier was not totally ineffective, but Berringer replaced him at about the time Osborne had said -on the Comhuskers' third possession. Nebraska continued to run

Phillips most of the time — and that set up Berringer's 19-yard pass to backup tight end Mark Gilman for a TD midway through the second quarter.

With Miami concentrating on the run on first down, the 240-pound Gilman got behind the defense, caught Berringer's pass inside the 5 and stumbled into the end zone.

Costa gave Miami a 17-7 lead on the first possession of the third quarter. Again his receiver, this time tailback Jonathan Harris, was equally effective.

On second and nine at the Nebraska 44, the 5-foot-9 Harris took a short pass to his left and then cut back toward the middle of the field. He broke past defensive back Kareem Moss and then eluded two more defenders before powering into the end zone.

# CROSSWORD

Chicago's Alonzo Spellman got to Minnesota's Warren Moon, forcing an incomplete pass in the Bears' 35-18 triumph.

1 Vacuum tube a Wanders

ACROSS 14 March composer 15 Key above G 16 Majors or Myles

products and services.

The leading global supplier of digital telecommunications

the Pyrenees 38 Dined 39 Jodle Foster's directorial debut, 1991 43 Douglas or alpine, 8.g. 44 Chair members 45 Pub qualis 46 Seventh day

> 46 Improves 51 Monkeyshine 53 Carriage, in the 54 Cousin of the English hom se Bushy-tailed 60 Princess' sleep disturbe: **62** Dishcloth

activity

17 Happenchance

19 Once --- While

24 City near Utal

Lake 28 'Desire Unde

26 Barber of

21 Sprite

the-

29 Head of 8

as Peeved

34 Bygone coit

33 When

63 Greek vowel 64 Child's means 56 Soak flax 69 More cheerful 70 Takes to the

DOWN

1 Houston player 2 Oarsman 3 Tour leader 4 W.W. S intelligence org. 5 N.B.A.'s 6 Club fund-ra

7 Light switch position s Chass finale 10 Robert Fulton's

11 Notoriousi risky social 12 Respects 13 Sharpshoote 18 Fashlon's Cassini 23 "Far out"

25 Shopping place 27 1939 James Stewart title role **25 Que tollower**, in 31 ---- benê až Mr. Quzyle

34 Drives away as A number topper 40 Atty.'s degree 41 Parisian

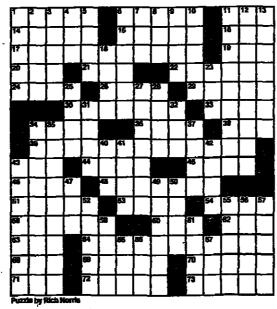
56 Western

57 Cast out

county

66 Pasture

42 What's more 43 Constitution 47 Actor Matheso 49 Narrows se Watchful one



Solution to Puzzle of Jan. 2 ASTER ALLS 62 Weish dog 65 Accelerator's counterpart 59 Little hopper 61 North Carolina 65 Drain cleane

### Bears Roll to Upset Victory Over the Bumbling Vikings plays to take a 7-3 lead early in After setting up first and goal the second quarter. Then the By Michael Wilbon second quarter. Then the at the 6, a holding penalty

MINNEAPOLIS — For so long this season, it looked as if the Minnesota Vikings might be the National Football Conference's best bet to break the Cowboys-49ers stranglehold on the conference. But playing at home against arguably the weakest team in the entire playoffs field, the Vikings stumbled and fumbled and bumbled their way to yet another first-round playoff loss.

The Chicago Bears took advantage of four Vikings turnovers and got yet another efficient performance from quarterback Steve Walsh to take a 35-18 victory over the stunned Vikings in the Metrodome on Sunday. After scoring only three points on two Chicago turn-

overs to start the game, the Vikings collapsed under the weight of their own turnovers and 11 penalties, two of which nullified touchdowns. It was a particularly bitter

defeat for the Vikings, who swept the Bears in the regular season and had legitimate hopes of challenging the Cow-boys next week in Dallas. Instead, the Packers will visit the Cowboys on Sunday and the Bears will go to San Francisco, where they will be enormous underdogs on Saturday. The Bears in no way looked

like the only playoff team with no Pro Bowl players or a team that allowed more points than it scored during the regular season. Sunday's 35 points were the most Chicago scored all season. Chicago drove 80 yards in 16

ESCORTS & GUIDES

BELGRAVIA

**ORCHIDS** 

IONDON PARIS GENEVA ZURICH Escort Agency Credit Cards Welcom

UK 071 589 5237

DIVA ESCORT SERVICE NEW YORK CITY 1-800-464-6667

Bears went 71 yards on four plays after Warren Moon was intercepted (though wide receiver Qadry Ismail was at fault for bobbling the perfect pass) to take a 14-3 lead.

Minnesota got within 14-9, but Chicago's Raymont Harris got loose for a 29-yard run that made it 21-9 to open the third quarter. And after a Vikings field goal, Walsh hit Jeff Graham on a 21-yard pass to make it 28-12 Chicago.

Walsh, 9-3 this season as a starter, killed the Vikings with the short passing game, completing 15-of-23 for 221 yards.

"This is a big statement for us," Walsh said. "All the little things went right for us. This is something you don't hear often, but we know we have the abili-Ability is the one category in

hold a decisive advantage, par-

by completing 29 of 52 passes (292 yards and two touchdowns), his two interceptions hurt almost as much as the absence of a running game. The Vikings set the tone from the outset by failing to score despite having great field possessions. They started consecutive series at the Bears 6 (after a Lewis Tillman fumble), the

Bears 39 (after Walsh had a pass tipped and intercepted) and the Bears 33 (after Robert Smith's 58-yard kick return). All of that produced one Fuad Reveiz 29-yard field goal for a 3-0 lead in the first quarter.

INTERNATIONAL ESCORTS Service - Worldwide Ret: 212-765-7896 New York, USA Mayor Credit Cards Accepted

LONDON BRAZILIAN Escort Service (27) 724 5597/97 - credit cords

touchdown run in the third quarter, which made it 21-9. The key series of the game might have been at the start of which the Vikings appeared to the fourth quarter. The Vikings had gotten a 48-yard field goal ticularly on offense. But while from Reveiz to creep within 21-Moon set club playoff records 12 with five seconds left in the third. But on the ensuing kickoff, Reveiz's kick went out of bounds, spotting the Bears the ball at their 40. To make matters worse, John Randle was called for roughing the quarter-

> Moon was limping heavily after the game. Questions persisted about his playoff disappointments; this is his fourth straight postseason loss, and sixth of his past seven.

back at the end of a 12-yard

completion, moving the Bears to the Minnesota 33. The next

play, the Vikings were offsides,

backing the Bears to the 28.



Escort Service Tel: 077/88 06 60, 077/88 06 70 TENNA "ZURICH" PARIS" MERNIC HIGH SOCIETY International Exce Cell Vienna + 43-1-535 41 64. High Society Escort & Travel Service Tel: 071 499 0095 ITALY PARTS CORE D'AZUR worldwide French Eviers excert ogsney Distance and the Company of the Company Distance and the Company of the Company Dinner dates & personal guide serves. Tel: +31 10(20-64 02 111 / 64 02 666 PRANCFUET KOLN DUSSELDORF oil areas, Escart Service. 069-073294 GENEVA Escort Service

# TO OUR READERS IN BELGIUM

INTERNATIONAL CLASSIFIED

(Continued From Page 10)

It's never been easier to subscribe and save. Just call toll-free: 0 800 1 7538

### ART BUCHWALD

# Down and Out in '95

I have never felt in this country before. Everybody is down, even when they have every reason to be up. If you are an optimist, the pessimists get really mad with you.

I discovered how serious things were when I attended a New Year's Day party at

Eloise Agger's house. Paul

Youngblood said. "1995 is the worst year of my life." "How can you say that?"

asked. "It's Buchwald hardly begun.
What bothers you the most about it?'

"Newt Gingrich — and the fact that I have to get my teeth cleaned. I hate to have my teeth cleaned, especially during a Re-publican Congress."

Bob Parrish, a wealthy investor, agreed that 1995 was a bummer. "By the time the Republicans get finished with their Contract With America, there won't be anything left over for the rich."

The rich are always the first to get it in the neck from the Republicans," Eloise said. Charlotte Woolard declared.

### Another Royal Strike

The Associated Press LONDON - Gold has been found at Balmoral, the British royal family's home in Scotland. Geologists from the British Geological Survey say they have found tiny traces of gold in some streams on the country estate. Last month, seismic studies indicated a small oil field under Windsor Castle. the royal residence near Lon-

WASHINGTON — There is "I know that I'll get a cold in 1995. I never catch one in the even years. I wish it was over

aiready. Carole Leggett added, "I just know that I'll buy a 1995 car and it will turn out to be a

Dylan Kennedy told me. "My math professor said that it would be sheer luck if any of us passed our exams in '95. He had no heart in 1994, so I don't know what he'll do to us this year.

I tried to cheer people up. "So far I think that 1995 has been a pretty good year, considering that it's in its first day. Eloise has provided us with egg nog and good cheer, and I predict that there are going to be many pleasant surprises coming

our way."
Diana Walker scoffed, "! hate people who always think that everything is a bed of roses. They don't face reality. If it wasn't for our pessimism we would never accomplish any-

I continued my attempt to see the glass haif full.

Maybe the baseball strike will be over in 1995. That's something to look forward to."
"And," quipped Randy
Marks, "maybe the Serbians will start making apple pies for the Bosnians."

There just didn't seem any way to shake my friends out of their gloom. I pointed out how they had complained about 1994 and how it turned out to be one of the best years the country had - not counting what happened to people's money in Orange County, Cali-

Nancy Gordon was not to be persuaded. She said. "My astrologer predicted that I would have seven years' bad luck if I went through the Lincoln Tunnel at rush hour — and I don't even live in New Jersey."

North America

# A Russian Director Goes on Location, in California

By Judy Stone

OCKE, California - In this historic, ramshackle Chinese town, 25 miles south of Sacramento, a 10year-old California girl is teaching a Russian actor to recite "How much wood can a woodchuck chuck?" when their Russian director calls for another take of a scene outside an establishment called Al the Wop's Restaurant.

It is an incongruous setting for "American Daughter," the first Russian film to be shot in the United States and a project not without the hazards and headaches of current Russian moviemaking.

The director, Karen Shaknazarov, is among countless filmmakers from the former Soviet Union who have been cut off from previously gener-

ous state support.

No reliable statistics are available. but film production has dropped in Russia and is at a standstill in other republics like Georgia, which has a glorious cinematic tradition.

Some Russian producers are find-ing independent financing at home, but it has been difficult for them to distribute the work because theater screens are dominated by American films. Other Russian directors, like Shaknazarov, are scrambling for coproduction deals in other countries.

His film, a father-daughter road movie, was filmed in five weeks last fall - just like a low-budget independent American feature, without the usual big studio support of Russia's Mosfilm. The \$500,000 budget was financed

solely by Boris Giller, one of Russia's new capitalists, a former screenwriter and journalist who says that he made \$15 million in newspaper publishing and real estate in Kazakhstan. The plot will seem familiar to some

Russians. In the film, an 8-year-old (Allison Whitbeck) has been kidnapped by her Russian mother (Mariya Shushkina) and taken to live in California. The mother marries a wealthy

American and tells the daughter that her father is dead. When the father (Vladimir Mashkov) turns up, a bond is established between them, and she

decides to return to Russia to visit her dying grandmother.

in order to clude a police search initiated by the mother, she dis-guises herself with a boyish haircut, buys her father an outlandish cow-boy outfit, and the two begin hitchhiking to Mexico, where, she thinks, it will be easier to get a flight to

Acquaintances of the director say the script was inspired by a similar

situation in his own family. Shaknazarov, a stocky man of 42, is tight-lipped on the subject, but his year-old daughter by his second wife lives in California. The director lives with his third wife, a young actress, and a son, 2 in Moscow. All he will say is that he knows other Russian parents who have had children taken to the United States.

"American Daughter" is his eighth film. "It has some roots in real life," Shaknazarov says in heavily accepted English, "but I wanted to make something funny, just for people, not

Henry Rosenthal, the film's American producer (Giller is the Russian producer), says, "This project is a whole new model of filmmaking for

Rosenthal has produced independent films like Jon Jost's "All the Vermeers in New York," and he knows the scope of the Russians' difficulties:

"They're trying to get the biggest bang for their bucks. They were told you cannot make a film in America for under \$5 million. This has scared a lot of people away, but I told them I've made films for \$30,000 and 35millimeter features for \$50,000. The Russians are used to Mosfilm where they could take 6, 8, 12 months to shoot. What's the hurry? It's a government iob.

"But this is a very elaborate script with 32 locations in northern California, and we're working at a very tough pace.

With a mixed Russian and American crew, the film came in on time and under budget despite two accidents. Shaknazarov was rushed to the hospital when his foot was



Karen Shaknazarov, second from left, on location in California for "American Daughter."

form of a tractor-trailer (the injury was minor).

And the director of photography, Vladimir Shevtsik, suffered a slight concussion when he was accidentally knocked to the pavement by a Halloween reveler.

"American Daughter" is now in postproduction back in Russia. For us to go to the States was like going to the moon," Shaknazarov

The son of a writer and political scientist who was an adviser to the former Soviet leader, Mikhail S. Gorbachev, Shaknazarov has directed "Messenger," "Jazzman" "City Zero" and "The Assassination of the Czar," all of them successes in the former Soviet Union, "After Gorbachev, it was a golden era," Shaknazarov says, "The state gave you money and there was no censor-

More recently he had to come up with private money to finance "Dreams," a saure in which a 19th-

caught between the cab and plat- century aristocrat has bizarre dreams of being a waitress in post-Commu-nist Moscow.

But some remnants of censorship remained even after the Communists fell. Shaknazarov says that he was ordered to cut a scene showing cham-pagne bottles from his film "Winter Night in Gagra," a musical comedy, because there was a campaign

against drinking.
"I finally said, I can't cut it, but the hero will say, "It's not champagne; it's lemonade." It was idiotic. Everybody could see they were

champagne bottles." To make "American Daughter" after negotiations with a Swiss company fell through, Shaknazarov and his scriptwriter, Alexander Borodyansky, went looking for backing. Giller, a graduate of VGIK, Russia's prestigious film school, told them he was in.

Shaknazarov was nervous about going to America to make his film. 'But Boris was very brave," he says. "It's a style I like. And soon I was comfortable. First of all, Henry" -the film's American producer -- "is a good professional. Maybe there were misunderstandings the first two weeks. He wasn't used to my usual way of improvising, but very soon he accepted this. Not many Russians improvise, but when I see actors and locations together, I understand that life is much richer than you can invent in your head."

ing Trails

The director was particularly pleased with the selection of Allison Whitbeck, who had never acted before, as the daughter raised in America. "She is great," Shaknazarov savs.

"We communicate very well ---you see my English! --- but she understands everything. She's an actress by God and doesn't need many explanations. She is the main luck for me in the United States."

Judy Stone, a former film critic of the San Francisco Chronicle, wrote this for The New York Times

### **WEATHER**

# Europe

Forecast for Wednesday through Friday, as provided by Accu-Weather.

Еигоре

	North A The colde writer so the eastern U Aside from the Great L will be dry from South Teras wit snow or ic image.	si waat ar will e .S. and some akes, th Ram wi hem Ca h perha	her of swelop i Can; snow i se thea ill adves alifornia aps se	o ith arda nea arthe anc anc anc	e Rice Grant Control C	reece : Its ind Its ind Its ind Its ind Its indicated Its	l so to Sy Rain Rain Itsh Inds The	ak areas from the while sno fugoslavia i will reach from Isles to the and souther weather will be from Spain and noce to souther	n Si w or o dr n whe e th n ha e m d sh n na	y Wed y, chill nos to e wee eve dr ost of o ipwers im, C:	nes y w k. 'y v essi ami e P	day ideather he ren Korea reather lem Cike oodia hilippi	pen Jabilower with I nainder will , er. as hina, A ly in \ and T nes wi	6 6 7 7 1
	Middle 6	ast	_	_	_	_	_	Latin Am	erica		_			
		Te High	day	*	To:	LOW			T High	oday Lost	₩	To	morton	
		C/F	CÆ		CÆ	CAF			C/F	C/F		CIF	C/F	
	Bound	19486	13/55		13/66	12/53		Buence Aurer	1493	26.77		33,91		
	Cate	21.70	9/48		10/59	7.44		Caracia	28.82					
	Demascus	15-59	643		16/61	5/41		Lima	26/79	19/98	tc	27/80	21/70	
_	Jerusalom	16/51	9/48		16/61	9:46 6/43		Merico Cay	23/73			22/71	6/43 24:75	
	Lucar Bryadh	27 <i>180</i> 18/04	9,46 9,48		2475 2271	9149		Ruo de√aneno Sandago	34/93 26/92	9:48			10/50	
		-	_				-							٠,

	T	odav		Tamorrow				
	High C#	Lów	W		C/F			
Bangkok	21/88	22/71		31.788	271	t		
Being	-1/31	9:16	70	1/34	4.22	r.		
Hong i one	1.45	15.50	:5	17:42	13/55	54		
Manda	30 %6	22 71	gl.	31/89	27.73	4		
New Detra	24:75	B.ºe	3	24/75	9/46	3		
Seoul	2/36	-8/15	25	-1/31	-7/29	컈		
Shanghei	7/44	0732	*	7:44	-3.27	s		
Singapore	28/82	24:75	DC	28.52	24/75	જ		
Tatpe	19,66	15/50	i	19466	12.53	,		
Tokyo	9/48	6'43	sh	10'50	4/39	r		

13/55 7/44 pc 12/50 8/4% th

Cape Total	28/62	16/61	3	30/66	16.64	3
Casablanca	19/66	640	6	1864	7/44	9
Harare		7,44				
Lagon		24 (75				
Harrobi	23/73	10.50		21.75	1757	~
Turnes	9/15	1/34	:=	0.48	0.77	-
			_			_ ~
North A	meric	a				_
Archnage	-209	6/22	-cn	1/32	.A/18	_
Alaria	7144			6/43		
Boston		563				
	2/16		50	.7.30	-15/6	
Denver	4/25	arı.	Ε.	5:31	A.15	5
Delres	4116	-11/12	-	7.20	.47	5
Heralds.		14.4			1B:64	
Hussian		2.75				
		6.4				
Lrv: Angelos						
Asima .		16.F:				
Alimes วงใน	-14 ~					
r outres:	41,4					
filasoau		16-61	.1		10375	L

N Italian court has bunned sales of Michael Jackson's hit album "Dangerous" - which has sold 21 million copies worldwide — on the ground that one of its numbers. "Will You Be There," was lifted from "I Cigni di Balaka" (The Swans of Balaka) by the Italian singer Al Bano, whose lawyer said he intended to seek a worldwide ban and damages of about \$9 million. . . . Rod Stewart says he was too drunk during a trip to Brazil in 1979 to realize he was copying his "Do Ya Think I'm Sexy" from a song by a Brazilian star. Jorge Benjor wrote "Taj Mahal" several years before Stewart did his song with the same melody. Shortly after releas-ing the song in 1979, Stewart acknowledged the similarity and donated the royalties to charity. "I never met Jorge Benjor but I'd like to meet him to explain everything," Stewart was quoted as saying, "I and we drank too much." he said of the 1979 trip. "I remember almost nothing from that trip."

Brigitte Bardot appears to have made up with her husband, after the former screen star had police teargas him out of her Paris apartment in November, her lawyer says. The couple — she now an animal rights



**PEOPLE** 

David Puttnam: On the Honors List.

advocate and he, Bernard d'Ormale, an aide to the far-right leader Jean-Marie Le Pen — spent Christmas at her villa in Saint-Tropez with friends, the French me-

dia reported. Bardot's lawyer, Gilles Dreyfus, confirmed that the couple had never officially registered their marriage, but that they did have a ceremony in a church in Norway.

The rock guitarist Eric Chapton, the film producer David Puttnam and a conscientious street sweeper were among a thousand people recognized in the New Year's Honors List for contributions to British life. In line with Prime Minister John Major's drive to break down Britain's class barriers, the list includes bundreds of ordinary people who have dedicated their lives to good causes. One such was Richard Currie, made a member of the Order of the British Empire for keeping the roads of the southern English town of Alton clean even after he was hurt in a mugging. Others honosed included **Rocco Fo** owner, and the actor Robert Stephens. acclaimed for his portrayal of King Lear.

The fashion designer Yves Saint Lan rent, the theater director Peter Brook and a former resistance leader, André Dewarrin, were among those awarded or promoted in the French Legion of Honor.

# With an operator, you can do it in second Without one, you can do it even

ASIA /PACIFIC INDONESIA 091-601-10

AND CHEST

CZECH REPUBLIK

FRANCE

-800-55e-000 LIECHTENSTEIL LITHURINA 5 19 FLO:UACO 19 -0011

₽0RTU5AL SLGVAN RE SWEDER

010-400-8111 020-795-611 177-100-272 426-501 EL SALVADOR 190 AT&T USADirect™ and World Connect Service lets you quickly place calls on your own.

Calling the States or one of over 100 other countries? There's no easier, more reliable way than AT&T USADirect and World Connect Service. Especially if you take this shortcut. After dialing the AT&T Access Number for the country you're in, instead of wait ing for the English-speaking operator, follow the voice prompts. Your call will get through faster and can be charged to your AT&T Calling Card. Suffice it to say, for experienced business travelers, the choice isn't which international long distance company to

TrucWorld "Connections

use. It's which AT&T speed to use: Fast. Or laster.

